

TOWNSHIP OF PARSIPPANY-TROY HILLS

COUNTY OF MORRIS

NEW JERSEY

REPORT ON

EXAMINATION OF ACCOUNTS

FOR THE YEAR 2011

**SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY

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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
YEAR ENDED DECEMBER 31, 2011

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

We have audited the accompanying statutory basis financial statements of the various funds of the

TOWNSHIP OF PARSIPPANY-TROY HILLS COUNTY OF MORRIS

as of and for the year ended December 31, 2011, as listed in the table of contents, and for the year ended December 31, 2010. These statutory basis financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

These statutory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. These practices differ in certain respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

In our opinion, because of the Municipality's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the Township of Parsippany-Troy Hills as of December 31, 2011 and 2010 or the results of its operations for the years then ended.

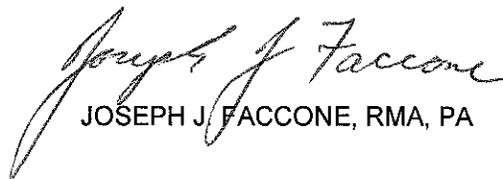
However, in our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the financial position of the Township of Parsippany-Troy Hills in the County of Morris, as of December 31, 2011 and December 31, 2010, and the results of operations of such funds for the years then ended, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 2012 on our consideration of the Township of Parsippany-Troy Hills internal control structure over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of the Township of Parsippany-Troy Hills taken as a whole. The accompanying supplementary schedules presented in the "Supplementary" sections, and the accompanying schedules of expenditures of Federal and State Awards are not required parts of the financial statements and are presented for purposes of additional analysis as required by New Jersey State Division of Local Government Services; U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Nonprofit Organizations*, and New Jersey State Office of Management and Budget Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Such information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and, in our opinion, is fairly presented in all material respects in relation to the statutory basis financial statements taken as a whole.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
May 18, 2012

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Regular Fund</u>			
Cash - Checking Account	A-4	\$ 5,574,157.26	\$ 8,948,391.01
Cash - Investment Account	A-7	4,589,888.25	3,280,494.02
Change Funds	A-8	765.00	815.00
		<u>10,164,810.51</u>	<u>12,229,700.03</u>
Due from State of New Jersey per Ch. 129, P.L. 1976	A-9	68,907.10	61,555.83
		<u>10,233,717.61</u>	<u>12,291,255.86</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes	A-10	1,364,381.90	1,233,153.71
Tax Title Liens	A-11	109,332.75	100,496.76
Property Acquired for Taxes at Assessed Valuations	A-12	1,428,800.00	1,428,800.00
Other Liens Receivable	A-13	192,731.95	193,906.95
Revenue Accounts Receivable	A-14	384,454.41	308,410.00
Interfunds Receivable	A-15	3,258.46	2.70
		<u>3,482,959.47</u>	<u>3,264,770.12</u>
Deferred Charges:			
Emergency Authorization (N.J.S.A. 40A:4-47)	A-16	140,000.00	
Special Emergency Authorization (N.J.S.A. 40A:4-53)	A-17	1,466,755.00	
		<u>1,606,755.00</u>	
		<u>15,323,432.08</u>	<u>15,556,025.98</u>
<u>State and Federal Grant Fund</u>			
Cash - Checking Account	A-4	254,097.91	312,920.05
State and Federal Grants Receivable	A-18	246,942.94	515,609.89
		<u>501,040.85</u>	<u>828,529.94</u>
		<u>\$ 15,824,472.93</u>	<u>\$ 16,384,555.92</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE BALANCE SHEETS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Regular Fund</u>			
Liabilities and Reserves:			
Appropriation Reserves:			
Encumbered	A-3,19	\$ 792,210.42	\$ 953,247.38
Unencumbered	A-3,19	2,952,523.65	2,220,355.26
Accounts Payable	A-20	35,208.29	24,720.99
Due to State of New Jersey	A-21	22,617.00	16,843.00
Tax Overpayments	A-22	152,102.01	219,079.94
Reserve for Tax Appeals	A-23	667,320.63	672,357.13
Interfunds Payable	A-24	235,347.66	403,424.16
County Taxes Payable	A-26	29,289.89	38,805.76
Prepaid Taxes	A-28	1,091,073.19	1,413,162.47
Prepaid Revenue	A-29	104,066.41	110,818.83
Accumulated Revenue Unappropriated	A-31	55,178.00	55,178.00
		<u>6,136,937.15</u>	<u>6,127,992.92</u>
Reserves for Receivables and Other			
Assets		3,482,959.47	3,264,770.12
Fund Balance	A-1	5,703,535.46	6,163,262.94
		<u>15,323,432.08</u>	<u>15,556,025.98</u>
 <u>State and Federal Grant Fund</u>			
Appropriated Reserves for State and			
Federal Grants	A-30	427,722.47	543,061.20
Accumulated Revenue Unappropriated	A-31	73,318.38	285,468.74
		<u>501,040.85</u>	<u>828,529.94</u>
		<u>\$ 15,824,472.93</u>	<u>\$ 16,384,555.92</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

A-1
Sheet #1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 3,450,000.00	\$ 3,250,000.00
Miscellaneous Revenue Anticipated	A-2a	15,276,894.36	15,926,872.10
Receipts from Delinquent Taxes	A-2b	1,236,657.29	1,491,192.72
Receipts from Current Taxes	A-2b	185,020,169.71	182,917,252.71
Nonbudget Revenue	A-2e	1,251,593.43	956,486.03
Other Credits to Income:			
Other Liens Receivable Realized	A-13	1,400.00	
Reserve for Grant Expenditures Cancelled	A-15	1,836.02	
Unexpended Balance of Appropriation			
Reserves	A-19	1,136,357.06	1,302,168.96
Tax Overpayments Cancelled	A-22	42,086.30	113,822.26
Special District Taxes Cancelled	A-25	28,148.18	28,550.39
		<u>207,445,142.35</u>	<u>205,986,345.17</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operations:			
Salaries and Wages		24,264,360.00	24,325,092.00
Other Expenses		23,427,789.88	21,799,214.15
Capital Improvements		281,640.00	286,225.00
Debt Service		8,692,096.70	8,732,829.03
Statutory Expenditures		5,463,896.00	4,411,782.00
Deferred Charges		179,189.00	138.00
	A-3	<u>62,308,971.58</u>	<u>59,555,280.18</u>
Prior Year Revenue Refunded	A-4	22,163.64	6,406.14
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector	A-9	14,650.68	13,500.00
Grants Receivable Cancelled	A-15	12.26	1,292.99
Interfund Charges	A-15	3,255.76	2.70
Reserve for Tax Appeals Established	A-23	500,000.00	400,000.00
Dedicated Open Space Taxes	A-24	1,470,551.68	1,485,771.60
Special District Taxes	A-25	2,755,466.18	2,781,633.39
County Taxes	A-26	21,815,674.55	21,925,197.34
Local School District Taxes	A-27	117,350,067.50	115,992,802.00
		<u>206,240,813.83</u>	<u>202,161,886.34</u>
Excess in Revenue (Carried Forward)		1,204,328.52	3,824,458.83

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE

A-2a
Sheet #1

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-14	\$ 88,000.00	\$ 89,190.00	\$ 1,190.00
Other	A-2c	160,000.00	161,628.00	1,628.00
Fees and Permits:				
Construction Code Official	A-14	1,452,217.00	1,788,251.25	336,034.25
Other	A-2d	975,000.00	989,353.79	14,353.79
Fines and Costs:				
Municipal Court	A-14	810,000.00	622,474.48	(187,525.52)
Interest and Cost on Taxes	A-5	350,000.00	326,033.12	(23,966.88)
Interest on Investments and Deposits	A-14	110,000.00	77,316.59	(32,683.41)
Payment in Lieu of Taxes - New Jersey Housing				
Finance Agency - Senior Citizens' Apartment	A-14	144,490.00	145,184.35	694.35
Garbage and Trash Removal Fees	A-14	1,650,000.00	1,566,692.94	(83,307.06)
Special Police Services		4,500.00		(4,500.00)
Community Center Revenue - Concession Rents	A-14	160,000.00	154,375.00	(5,625.00)
Hotel Tax	A-14	1,700,000.00	1,942,324.76	242,324.76
Ambulance Service Billing	A-14	475,000.00	687,802.59	212,802.59
Consolidated Municipal Property Tax Relief Aid	A-14	751,183.00	751,183.00	
Energy Receipts Tax	A-14	3,743,840.00	3,743,840.00	
Watershed Moratorium Offset	A-31	55,178.00	55,178.00	
Interlocal Municipal Service Agreement:				
Shared Services - Animal Control	A-14	25,000.00	26,600.00	1,600.00
State and Federal Revenues Offset with				
Appropriations:				
Drunk Driving Enforcement Fund	A-18	9,103.08	9,103.08	
Clean Communities Act	A-18	84,283.23	84,283.23	
Pedestrian Safety Program	A-18	8,000.00	8,000.00	
Over the Limit, Under Arrest	A-18	3,200.00	3,200.00	
Click It or Ticket	A-18	4,000.00	4,000.00	
Drive Sober or Get Pulled Over	A-18	5,000.00	5,000.00	
Body Armor Grant	A-18	8,542.39	8,542.39	
Recycling Tonnage Grant	A-18	75,891.00	75,891.00	
Municipal Alliance	A-18	28,901.00	28,901.00	
Alcohol Education, Rehabilitation and Enforcement Fund	A-18	862.96	862.96	
N.J. Highlands Water Protection and Planning Council:				
Plan Conformance Grant	A-18	100,000.00	100,000.00	
N.J. Department of Transportation:				
Union Hill Road	A-18	185,898.94	185,898.94	
Safe Route to School Grant	A-18	26,900.00	26,900.00	
Highway Safety Fund Grant - "Safe Corridors"	A-18	1,349.28	1,349.28	
County of Morris:				
Historic Preservation Trust Fund - Bowlsby-Degelleke House	A-18	16,000.00	16,000.00	
New Jersey Board of Public Utilities:				
Clean Energy Pay for Performance Program	A-18	33,535.00	33,535.00	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE

A-2a
Sheet #2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenue</u>				
Other Special Items:				
Uniform Fire Safety Code (Ch. 383, P.L. 1985)	A-14	\$ 132,783.00	\$ 105,446.90	\$ (27,336.10)
Cablevision Franchise Fees	A-14	236,640.00	236,640.79	0.79
Current Capital Surplus	A-15	35,000.00	35,000.00	
Reserve for Uniform Fire Penalties	A-15	14,000.00	14,000.00	
Reserve to Pay Debt Service	A-15	22,000.00	22,000.00	
Rescue and Recovery Contribution for Capital	A-14	9,000.00	9,000.00	
Health Insurance Offset	A-14	380,000.00	427,911.92	47,911.92
Concert Donations	A-14	8,000.00	8,000.00	
Sewer Surplus	A-15	700,000.00	700,000.00	
	A-1,2	<u>\$ 14,783,297.88</u>	<u>\$ 15,276,894.36</u>	<u>\$ 493,596.48</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF CERTAIN REALIZED REVENUE

A-2b

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes:			
2011 Collections:			
Taxes	A-10	\$ 1,233,407.29	
Due from State of New Jersey	A-9	<u>3,250.00</u>	
	A-1,2		<u>\$ 1,236,657.29</u>
<u>Allocation of Current Tax Collections</u>			
Collections of Current Taxes:			
2011 Collections	A-10	\$ 183,106,228.93	
2010 Collections	A-28	1,413,162.47	
Due from State of New Jersey	A-9	422,667.13	
Tax Overpayments Applied	A-22	<u>78,111.18</u>	
	A-1		\$ 185,020,169.71
Allocated to:			
Open Space Tax	A-24	1,470,551.68	
Special District Tax	A-25	2,755,466.18	
County Taxes	A-26	21,815,674.55	
Local School District Tax	A-27	<u>117,350,067.50</u>	
			<u>143,391,759.91</u>
			41,628,409.80
Plus: Appropriation for Reserve for			
Uncollected Taxes	A-3		<u>1,750,000.00</u>
Realized for Support of Municipal Budget	A-2		<u>\$ 43,378,409.80</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER LICENSES

A-2c

	<u>Ref.</u>		
<u>Clerk</u>			
Amusement Games		\$ 3,900.00	
Motel		55,724.00	
Sales		4,100.00	
Taxi and Limousine Drivers and Licenses		3,405.00	
Auction		100.00	
Truck Terminal		100.00	
Entertainment		<u>3,000.00</u>	
	A-14		\$ 70,329.00
 Bingo and Raffle Licenses	 A-14		 7,210.00
 <u>Health</u>			
Food Handler		76,890.00	
Swimming Pool		6,000.00	
Fertilizer License		300.00	
Sewerage Construction		<u>50.00</u>	
	A-14		83,240.00
 <u>Registrar of Vital Statistics</u>			
Marriage Licenses		846.00	
Civil Union Licenses		<u>3.00</u>	
	A-14		<u>849.00</u>
	A-2a		<u>\$ 161,628.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER FEES AND PERMITS

A-2d
Sheet #1

	<u>Ref.</u>		
<u>Engineer</u>			
Soil Removal Permit		\$ 3,851.04	
Inspection Fees		3,834.80	
Road Opening Permit		4,320.00	
Regulated Use Fees		200.00	
Flood Certifications		<u>70.00</u>	
	A-14		\$ 12,275.84
 <u>Collector</u>			
Tax Searches	A-14		230.00
 <u>Police Department</u>			
Accident and Complaint Reports and Fingerprinting Fees		8,907.50	
Gun Permits		1,288.00	
Towing Application Fee		<u>300.00</u>	
	A-14		10,495.50
 <u>Registrar of Vital Statistics</u>			
Burial Permit		23,460.00	
Certificate Fees		8,730.00	
Corrections on Certificates		<u>60.00</u>	
	A-14		32,250.00
 <u>Housing Department</u>			
Inspection Fees	A-14		176,330.00
 <u>Zoning Board</u>			
Zoning Permits		34,890.00	
Sign Permits		8,505.62	
Special Event		795.00	
Banner Permits		335.00	
Other Fees		<u>2,700.00</u>	
	A-14		47,225.62
 <u>Board of Adjustments</u>			
Variance Fee		8,470.00	
Site Plans		<u>2,475.19</u>	
	A-14		10,945.19

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF OTHER FEES AND PERMITS

A-2d
Sheet #2

	<u>Ref.</u>		
<u>Planning Board</u>			
Site Plans		\$ 5,075.50	
Variance Fee		600.00	
Subdivision Filing Fee		<u>200.00</u>	
	A-14		\$ 5,875.50
 <u>Fire Prevention</u>			
Inspection Fees		116,690.00	
Permits		45,869.00	
Smoke Detectors		<u>40,150.00</u>	
	A-14		202,709.00
 <u>Recreation Department</u>			
Fees and Permits	A-14		359,640.14
 <u>Purchasing Department</u>			
Plans and Specifications	A-14		10,200.00
 <u>Mayor's Office</u>			
Victory Garden Fee	A-14		1,775.00
 <u>Public Works Department</u>			
Leaf Bags	A-14		32,430.00
 <u>Treasurer</u>			
Administrative Fee:			
Off-Duty Police Officers		86,400.00	
Special Police		<u>572.00</u>	
	A-14		<u>86,972.00</u>
	A-2a		<u>\$ 989,353.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF NONBUDGET REVENUE

A-2e

	<u>Ref.</u>	
Federal Emergency Management Agency Reimbursement		\$ 161,633.90
Prior Year Appropriation Refunds		159,873.27
Reimbursements		76,187.15
Insurance Refund		63,974.99
MEL Buyout Agreement		15,000.00
False Alarm Fees		11,675.00
Sale of Township Assets		8,450.00
State of New Jersey:		
Administrative Fee for Senior Citizens and Veterans		8,078.30
Administrative Fee for Homestead Rebates		3,002.40
Health Clinic Fees		7,348.56
Park Rental Fees		7,000.00
Division of Motor Vehicles - Inspection Fines		5,340.75
Property Owner Lists		3,290.00
Copy Fees		2,024.15
Restitution		1,929.00
Return Check Fees		1,100.00
Sale of Maps		644.05
Bank Fees		408.50
Duplicate Tax Certificates		300.00
Donations		200.00
Miscellaneous		<u>33,376.82</u>
	A-5	\$ 570,836.84
 <u>Other Sources</u>		
Revenue Accounts Receivable	A-14	668,267.33
Interfunds Receivable:		
Premiums on Tax Sale Cancelled	A-15	12,200.00
Payroll Deductions Payable Cancelled	A-15	<u>289.26</u>
	A-1,2	<u>\$ 1,251,593.43</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-3
Sheet #1

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
General Administration:						
Salaries and Wages	\$ 518,267.00	\$ 503,267.00	\$ 490,901.86	\$ 12,365.14	\$	
Other Expenses	48,410.00	48,410.00	44,741.84	745.26	2,922.90	
Township Council:						
Salaries and Wages	39,245.00	39,245.00	39,245.00		2,000.00	
Other Expenses	2,000.00	2,000.00				
Municipal Clerk:						
Salaries and Wages	195,213.00	148,213.00	144,916.97		3,296.03	
Other Expenses	51,720.00	51,720.00	29,078.64	1,030.33	21,611.03	
Treasury:						
Salaries and Wages	111,365.00	111,365.00	109,985.73		1,379.27	
Other Expenses	13,600.00	13,600.00	12,874.21	342.24	383.55	
Audit:						
Salaries and Wages	69,500.00	69,500.00	63,541.00		5,959.00	
Tax Collection:						
Salaries and Wages	150,963.00	150,963.00	147,288.98		3,674.02	
Other Expenses	26,200.00	26,200.00	21,139.40	1,078.00	3,982.60	
Tax Assessing:						
Salaries and Wages	294,742.00	249,742.00	244,795.45		4,946.55	
Other Expenses	52,100.00	52,100.00	36,778.49	8,304.78	7,016.73	
Department of Law:						
Other Expenses	461,500.00	478,000.00	461,979.72		16,020.28	
Division of Engineering:						
Salaries and Wages	428,694.00	428,694.00	417,775.51		10,918.49	
Other Expenses	30,240.00	30,240.00	20,714.03	5,952.56	3,573.41	
	<u>2,493,759.00</u>	<u>2,403,259.00</u>	<u>2,285,756.83</u>	<u>17,453.17</u>	<u>100,049.00</u>	
<u>LAND USE ADMINISTRATION</u>						
Department of Planning:						
Salaries and Wages	40,467.00	40,467.00	39,716.80		750.20	
Other Expenses	54,300.00	54,300.00	33,798.43	9,506.06	10,995.51	

TOWNSHIP OF PARSEPPANY-TROY HILLS
CURRENT FUND

A-3
Sheet #2

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>LAND USE ADMINISTRATION</u>						
Board of Adjustment:						
Salaries and Wages	\$ 57,086.00	\$ 57,086.00	\$ 56,133.88	\$	\$ 952.12	\$
Other Expenses	25,225.00	25,225.00	16,319.36		8,905.64	
	<u>177,078.00</u>	<u>177,078.00</u>	<u>145,968.47</u>	<u>9,506.06</u>	<u>21,603.47</u>	
<u>CODE ENFORCEMENT AND ADMINISTRATION</u>						
Housing and Zoning Code Enforcement:						
Salaries and Wages	400,422.00	400,422.00	387,824.42		12,597.58	
Other Expenses	16,870.00	16,870.00	8,051.93	2,693.43	6,124.64	
	<u>417,292.00</u>	<u>417,292.00</u>	<u>395,876.35</u>	<u>2,693.43</u>	<u>18,722.22</u>	
<u>INSURANCE</u>						
Unemployment Insurance	48,000.00	48,000.00	48,000.00			
Liability Insurance	592,850.00	576,350.00	575,956.99		393.01	
Worker Compensation	538,400.00	806,550.00	679,098.56		127,451.44	
Employee Health and Group Life	8,364,563.00	8,312,063.00	7,975,432.69	377.50	336,252.81	
	<u>9,543,813.00</u>	<u>9,742,963.00</u>	<u>9,278,488.24</u>	<u>377.50</u>	<u>464,097.26</u>	
<u>PUBLIC SAFETY</u>						
Police Department:						
Salaries and Wages	12,997,724.00	12,997,724.00	12,924,481.49		73,242.51	
Other Expenses	676,808.00	676,808.00	541,480.97	81,451.60	53,875.43	
Office of Emergency Management:						
Salaries and Wages	24,085.00	24,085.00	20,259.96		3,825.04	
Other Expenses	26,450.00	26,450.00	12,731.50	10,399.04	3,319.46	
Aid to First Aid Organizations	210,000.00	210,000.00	210,000.00			
Fire Prevention Bureau:						
Salaries and Wages	319,459.00	296,459.00	288,923.21		7,535.79	
Other Expenses	42,200.00	42,200.00	22,383.60	10,054.95	9,761.45	
Municipal Court:						
Salaries and Wages	392,123.00	392,123.00	372,366.60		19,756.40	
Other Expenses	15,435.00	15,435.00	10,333.99	2,004.96	3,096.05	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-3
Sheet #3

STATEMENT OF EXPENDITURES

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC SAFETY</u>						
Prosecutor:						
Other Expenses	\$ 45,500.00	\$ 45,500.00	\$ 17,905.00	\$ 27,595.00	\$	
	<u>14,749,784.00</u>	<u>14,726,784.00</u>	<u>14,420,866.32</u>	<u>103,910.55</u>	<u>202,007.13</u>	
<u>PUBLIC WORKS</u>						
Street and Road Maintenance:						
Salaries and Wages	1,746,130.00	1,826,130.00	1,753,306.31	72,823.69		
Other Expenses	643,470.00	643,470.00	509,301.00	76,360.64	57,808.36	
Garbage and Trash Removal:						
Salaries and Wages	1,399,751.00	1,399,751.00	1,331,411.34	128,239.15	68,339.66	
Other Expenses	267,859.00	267,859.00	115,122.27		24,497.58	
Buildings and Grounds:						
Salaries and Wages	296,895.00	258,895.00	238,867.53		20,027.47	
Other Expenses	272,500.00	285,850.00	226,189.47	43,803.58	15,856.95	
Vehicle Maintenance:						
Other Expenses	638,000.00	638,000.00	518,927.39	78,099.34	40,973.27	
Condominium Cost	350,000.00	270,000.00			270,000.00	
Emergency - Hurricane Irene:						
Salaries and Wages	300,000.00	300,000.00	300,000.00			
Other Expenses	700,000.00	700,000.00	233,203.32	23,182.28	193,614.40	250,000.00
Emergency - Snow Storm:						
Salaries and Wages	125,000.00	125,000.00	125,000.00			
Other Expenses	15,000.00	15,000.00			15,000.00	
	<u>5,614,605.00</u>	<u>6,729,955.00</u>	<u>5,351,328.63</u>	<u>349,684.99</u>	<u>778,941.38</u>	<u>250,000.00</u>
<u>HEALTH AND HUMAN SERVICES</u>						
Public Health Services:						
Salaries and Wages	626,756.00	636,756.00	622,878.69		13,877.31	
Other Expenses	116,500.00	116,500.00	99,724.64	9,674.23	7,101.13	
Senior Citizen Center:						
Salaries and Wages	147,564.00	155,564.00	153,245.28		2,318.72	
Other Expenses	44,900.00	44,900.00	30,810.18	8,154.72	5,935.10	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-3
Sheet #4

STATEMENT OF EXPENDITURES

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>HEALTH AND HUMAN SERVICES</u>						
Animal Control:						
Other Expenses	\$ 145,000.00	\$ 145,000.00	\$ 145,000.00	\$	\$	\$
Contribution to Day Care Center	48,000.00	48,000.00	48,000.00			
	<u>1,128,720.00</u>	<u>1,146,720.00</u>	<u>1,099,658.79</u>	<u>17,828.95</u>	<u>29,232.26</u>	
<u>PARKS AND RECREATION</u>						
Recreation Services:						
Salaries and Wages	409,115.00	389,115.00	380,825.64		8,289.36	
Other Expenses	104,000.00	104,000.00	101,510.71	2,130.03	359.26	
Maintenance of Parks:						
Salaries and Wages	1,517,849.00	1,532,849.00	1,476,034.58		56,814.42	
Other Expenses	208,925.00	208,925.00	131,770.65	65,833.50	11,320.85	
	<u>2,239,889.00</u>	<u>2,234,889.00</u>	<u>2,090,141.58</u>	<u>67,963.53</u>	<u>76,783.89</u>	
<u>OTHER COMMON OPERATING FUNCTIONS</u>						
Celebration of Public Events	27,200.00	27,200.00	26,578.00		622.00	
<u>UTILITY EXPENSES</u>						
Electricity	416,000.00	416,000.00	346,525.79	1,286.25	68,187.96	
Street Lighting	620,300.00	590,300.00	486,267.16	4,775.65	99,257.19	
Telephone	240,200.00	240,200.00	213,614.91	18,323.10	8,261.99	
Gas (Natural or Propane)	127,500.00	127,500.00	103,610.42	8,686.95	15,202.63	
Gasoline	791,500.00	791,500.00	725,673.24	65,104.27	722.49	
	<u>2,195,500.00</u>	<u>2,165,500.00</u>	<u>1,875,691.52</u>	<u>98,176.22</u>	<u>191,632.26</u>	
<u>SOLID WASTE DISPOSAL COSTS</u>						
	1,525,000.00	1,525,000.00	1,391,571.58	118,177.74	15,250.68	
<u>UNIFORM CONSTRUCTION CODE</u>						
Department of Buildings and Inspections:						
Salaries and Wages	929,552.00	904,501.00	881,185.77		23,315.23	
Other Expenses	92,825.00	92,825.00	73,674.99	6,438.28	12,711.73	
	<u>1,022,377.00</u>	<u>997,326.00</u>	<u>954,860.76</u>	<u>6,438.28</u>	<u>36,026.96</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #5

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
APPROPRIATIONS WITHIN "CAPS"						
UNCLASSIFIED						
Salary Adjustment Retirement Pay	\$ 20,000.00	\$ 895,944.00	\$ 895,944.00			\$
	<u>20,000.00</u>	<u>895,944.00</u>	<u>895,944.00</u>			
CONTINGENT	15,000.00	15,000.00	15,000.00			
Total Operations	<u>41,170,017.00</u>	<u>43,204,910.00</u>	<u>40,227,731.07</u>	<u>792,210.42</u>	<u>1,934,968.51</u>	<u>250,000.00</u>
Detail:						
Salaries and Wages	23,063,467.00	24,264,360.00	23,843,315.00		421,045.00	
Other Expenses	<u>18,106,550.00</u>	<u>18,940,550.00</u>	<u>16,384,416.07</u>	<u>792,210.42</u>	<u>1,513,923.51</u>	<u>250,000.00</u>
STATUTORY EXPENDITURES						
Contribution to:						
Social Security System (OAS)	1,219,702.00	1,219,702.00	1,108,142.87		111,559.13	
Police and Firemen's Retirement System of NJ	3,055,660.00	3,055,660.00	3,055,660.00			
Public Employees' Retirement System	1,181,834.00	1,181,834.00	1,181,834.00			
DCRP Pension	<u>6,700.00</u>	<u>6,700.00</u>	<u>4,440.99</u>		<u>2,259.01</u>	
	<u>5,463,896.00</u>	<u>5,463,896.00</u>	<u>5,350,077.86</u>		<u>113,818.14</u>	
Total Appropriations Within "CAPS"	<u>46,633,913.00</u>	<u>48,668,806.00</u>	<u>45,577,808.93</u>	<u>792,210.42</u>	<u>2,048,786.65</u>	<u>250,000.00</u>
APPROPRIATIONS EXCLUDED FROM "CAPS"						
OPERATIONS						
Ch. 541, P.L. 1985:						
Maintenance of Free Public Library	3,114,636.00	3,114,636.00	3,114,636.00			
Contribution to LOSAP	<u>60,000.00</u>	<u>60,000.00</u>	<u>57,650.00</u>		<u>2,350.00</u>	
Insurance:						
Employee Health and Group Life	875,137.00	875,137.00			875,137.00	
Matching Funds for Supplemental Municipal Alliance Grant	<u>1,250.00</u>	<u>1,250.00</u>			<u>1,250.00</u>	
	<u>4,051,023.00</u>	<u>4,051,023.00</u>	<u>3,172,286.00</u>		<u>878,737.00</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #6

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
APPROPRIATIONS EXCLUDED FROM "CAPS"						
OTHER OPERATIONS						
Interlocal Municipal Service Agreement						
Shared Services Agreement - Health Officer	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00	\$	\$	\$
Shared Services Agreement - Animal Control	25,000.00	25,000.00			25,000.00	
	<u>87,500.00</u>	<u>87,500.00</u>	<u>62,500.00</u>		<u>25,000.00</u>	<u>25,000.00</u>
STATE AND FEDERAL PROGRAMS						
OFFSET BY REVENUES						
Alcohol Education, Rehabilitation and Enforcement Fund	862.96	862.96	862.96			
Drunk Driving Enforcement Fund	9,103.08	9,103.08	9,103.08			
Clean Communities Act	84,283.23	84,283.23	84,283.23			
Body Armor Grant	8,542.39	8,542.39	8,542.39			
Recycling Tonnage Grant	75,891.00	75,891.00	75,891.00			
Click It or Ticket	4,000.00	4,000.00	4,000.00			
Drive Sober or Get Pulled Over	5,000.00	5,000.00	5,000.00			
Pedestrian Safety Program	8,000.00	8,000.00	8,000.00			
Over the Limit, Under Arrest	3,200.00	3,200.00	3,200.00			
County of Morris:						
Municipal Alliance	28,901.00	28,901.00	28,901.00			
Matching Funds for the Municipal Alliance Grant	7,250.00	7,250.00	7,250.00			
County of Morris:						
Bowlsby-Degelleke House	16,000.00	16,000.00	16,000.00			
N.J. Department of Transportation:						
Union Hill Road	185,898.94	185,898.94	185,898.94			
Safe Route to School Grant	26,900.00	26,900.00	26,900.00			
Highway Safety Fund Grant - Safe Corridors	1,349.28	1,349.28	1,349.28			
N.J. Highlands Water Protection and Planning Council:						
Plan Conformance Grant	100,000.00	100,000.00	100,000.00			

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #7

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>STATE AND FEDERAL PROGRAMS</u>						
<u>OFFSET BY REVENUES</u>						
N.J. Board of Public Utilities:						
Clean Energy Pay for Performance	\$ 33,535.00	\$ 33,535.00	\$ 33,535.00	\$	\$	\$
	598,716.88	598,716.88	598,716.88			
Total Operations	4,737,239.88	4,737,239.88	3,833,502.88	903,737.00	903,737.00	
Detail:						
Other Expenses	4,737,239.88	4,737,239.88	3,833,502.88	903,737.00	903,737.00	
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	281,640.00	281,640.00	281,640.00			
<u>DEBT SERVICE</u>						
Payment of Bond Principal	6,534,000.00	6,534,000.00	6,534,000.00			0.30
Interest on Bonds	2,157,046.00	2,158,097.00	2,158,096.70			0.30
	8,691,046.00	8,692,097.00	8,692,096.70			
<u>DEFERRED CHARGES</u>						
Special Emergency Authorization (N.J.S. 40A:4-53)	179,189.00	179,189.00	179,189.00			
Total Appropriations Excluded from "CAPS"	13,889,114.88	13,890,165.88	12,986,428.58	903,737.00	903,737.00	0.30
Sub-Total	60,523,027.88	62,558,971.88	58,564,237.51	792,210.42	2,952,523.65	250,000.30
Reserve for Uncollected Taxes	1,750,000.00	1,750,000.00	1,750,000.00			
Total Appropriations	\$ 62,273,027.88	\$ 64,308,971.88	\$ 60,314,237.51	\$ 792,210.42	\$ 2,952,523.65	\$ 250,000.30

Reference

A-2

Sheet #8

A

A

Sheet #8

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATEMENT OF EXPENDITURES

A-3
Sheet #8

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Cancelled</u>
Adopted Budget		\$ 62,071,821.74	\$	\$
Added by N.J.S.A. 40A:4-87		201,206.14		
Emergency Authorization	A-16	140,000.00		
Special Emergency	A-17	1,895,944.00		
 Cash Disbursed:				
Salaries and Wages			23,843,315.00	
Township's Matching Funds for Grants	A-30		7,250.00	
Other Expenditures			<u>33,798,016.63</u>	
	A-4		57,648,581.63	
Deferred Charges - Special Emergency	A-17		179,189.00	250,000.00
Debt Service Cancelled				0.30
Interfunds Payable	A-24		145,000.00	
Reserve for Grant Expenditures	A-30		591,466.88	
Reserve for Uncollected Taxes	A-2b		<u>1,750,000.00</u>	
	Sheet #7	<u>\$ 64,308,971.88</u>	<u>\$ 60,314,237.51</u>	<u>\$ 250,000.30</u>
 <u>Analysis of Charges to Operations</u>				
Paid or Charged	Above		\$ 60,314,237.51	
Appropriation Reserves:				
Encumbered	Sheet #7	\$ 792,210.42		
Unencumbered	Sheet #7	<u>2,952,523.65</u>		
			<u>3,744,734.07</u>	
			64,058,971.58	
Less: Reserve for Uncollected Taxes	Above		<u>1,750,000.00</u>	
	A-1		<u>\$ 62,308,971.58</u>	

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

COMPARATIVE BALANCE SHEETS

B
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
Animal Control Trust Fund:			
Change Fund	B-5	\$ 50.00	\$ 50.00
Due from Municipal Court	B-8	275.00	200.00
Interfunds Receivable	B-10	<u>49,146.02</u>	<u>51,968.33</u>
		<u>49,471.02</u>	<u>52,218.33</u>
General Trust Fund:			
Cash - Checking Accounts	B-1	11,485,580.60	11,473,761.63
Cash - Investment Account	B-4	<u>1,388,379.87</u>	<u>1,470,442.31</u>
		12,873,960.47	12,944,203.94
Assets in the Hands of Plan Administrator:			
Workers' Compensation Plan	B-6	56,356.12	48,130.48
Due from Municipal Court	B-8	1,318.00	589.50
Other Accounts Receivable	B-9	72,316.00	117,320.00
Interfunds Receivable	B-10	<u>25.40</u>	<u>308,158.48</u>
		<u>13,003,975.99</u>	<u>13,418,402.40</u>
Grant Trust Fund:			
Federal Grants Receivable	B-7	<u>280,038.97</u>	<u>318,806.52</u>
		<u>\$13,333,485.98</u>	<u>\$13,789,427.25</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

COMPARATIVE BALANCE SHEETS

B
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
Animal Control Trust Fund:			
Prepaid Licenses	B-11	\$ 5,533.80	\$ 9,218.40
Due to State of New Jersey	B-12	571.20	974.40
Security Deposits	B-15	225.00	225.00
Reserve for:			
Contributions	B-19	11,204.62	9,525.92
Animal Control Trust Fund Expenditures	B-20	<u>31,936.40</u>	<u>32,274.61</u>
		<u>49,471.02</u>	<u>52,218.33</u>
General Trust Fund:			
Special Deposits	B-13	6,934,116.44	7,375,514.95
Premiums on Tax Sale	B-14	365,100.00	364,600.00
Security Deposits	B-15	12,089.51	12,071.97
Municipal Open Space Preservation Trust Fund	B-16	5,492,172.23	5,496,054.67
Interfunds Payable	B-17	2,963.31	
Reserve for:			
Workers' Compensation	B-18	56,356.12	48,130.48
Unemployment Insurance Trust Fund Expenditures	B-21	<u>141,178.38</u>	<u>122,030.33</u>
		<u>13,003,975.99</u>	<u>13,418,402.40</u>
Grant Trust Fund:			
Reserve for Grant Trust Fund Expenditures	B-22	<u>280,038.97</u>	<u>318,806.52</u>
		<u>\$13,333,485.98</u>	<u>\$13,789,427.25</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
Cash - Checking Account	C-2,3	\$ 3,297,628.58	\$ 6,107,500.95
Grants Receivable	C-4	312,500.00	445,000.00
Interfunds Receivable	C-5	185,898.94	138.00
Deferred Charges to Future Taxation:			
Funded	C-6	57,509,689.92	64,164,199.87
Unfunded	C-7	<u>11,818,078.69</u>	<u>6,716,918.69</u>
		<u>\$ 73,123,796.13</u>	<u>\$ 77,433,757.51</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-17	\$ 46,361,000.00	\$ 49,596,000.00
Refunding Bonds	C-16	10,535,000.00	13,834,000.00
Green Acres Trust Acquisition Loan Payable	C-15	613,689.92	734,199.87
Improvement Authorizations:			
Funded	C-8	4,035,194.53	5,787,008.06
Unfunded	C-8	11,163,625.45	7,071,229.95
Capital Improvement Fund	C-9	5,357.00	5,357.00
Deposit for Regional Contribution Agreement	C-10	261,420.19	261,420.19
Reserve for:			
Debt Service	C-12	68,262.39	29,295.79
Developer Contributions - Road Improvement	C-13	79,652.68	79,652.68
Fund Balance	C-1	<u>593.97</u>	<u>35,593.97</u>
		<u>\$ 73,123,796.13</u>	<u>\$ 77,433,757.51</u>
 Bonds and Notes Authorized but Not Issued	 C-18	 <u>\$ 11,818,078.69</u>	 <u>\$ 6,716,918.69</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE

C-1

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 35,593.97
Decreased by:		
Anticipated as Current Fund Revenue	C-11	<u>35,000.00</u>
Balance December 31, 2011	C	<u>\$ 593.97</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE BALANCE SHEETS

D
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Operating Fund</u>			
Cash - Checking Account	D-5	\$ 3,181,968.08	\$ 1,478,263.03
Interfunds Receivable	D-8	<u>3,181,968.08</u>	<u>30,361.69</u>
		<u>3,181,968.08</u>	<u>1,508,624.72</u>
Assets with Full Reserves:			
Consumer Accounts Receivable	D-9	290,447.23	292,878.86
Water Liens Receivable	D-10	252.57	252.57
Inventory - Materials and Supplies	D-11	<u>91,100.00</u>	<u>109,200.00</u>
		<u>381,799.80</u>	<u>402,331.43</u>
Deferred Charges:			
Special Emergency Authorization (N.J.S.A. 40A:4-53)	D-12	<u>50,000.00</u>	<u>75,000.00</u>
		<u>3,613,767.88</u>	<u>1,985,956.15</u>
<u>Capital Fund</u>			
Cash - Checking Account	D-5,7	576,160.96	931,738.28
Fixed Capital	D-13	32,818,448.10	31,608,448.10
Fixed Capital Authorized and Uncompleted	D-14	<u>3,760,000.00</u>	<u>4,375,000.00</u>
		<u>37,154,609.06</u>	<u>36,915,186.38</u>
		<u>\$ 40,768,376.94</u>	<u>\$ 38,901,142.53</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE BALANCE SHEETS

D
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4,15	\$ 92,824.26	\$ 86,657.01
Unencumbered	D-4,15	609,831.78	296,301.30
Reserve for Water Master Plan	D-16	24,250.03	27,612.50
Accrued Interest on Bonds	D-17	55,932.50	62,873.76
Accrued Interest on Loans	D-18	3,239.58	3,468.75
Water Rent Overpayments	D-19	17,732.89	33,624.75
		<u>803,811.04</u>	<u>510,538.07</u>
Reserve for Receivables and Inventory		381,799.80	402,331.43
Fund Balance	D-1	2,428,157.04	1,073,086.65
		<u>3,613,767.88</u>	<u>1,985,956.15</u>
<u>Capital Fund</u>			
Serial Bonds	D-28	3,614,000.00	3,834,000.00
Refunding Bonds	D-27	2,665,000.00	3,281,000.00
N.J. Environmental Infrastructure			
Loans Payable	D-26	283,839.52	305,644.43
Improvement Authorizations:			
Funded	D-20	297,829.26	653,406.58
Unfunded	D-20	667,000.00	101,750.00
Capital Improvement Fund	D-21	14,498.22	14,498.22
Reserves for:			
Debt Service	D-23	204,438.21	204,438.21
Amortization	D-24	28,051,858.58	27,133,553.67
Deferred Amortization	D-25	1,296,750.00	1,327,500.00
Fund Balance	D-2	59,395.27	59,395.27
		<u>37,154,609.06</u>	<u>36,915,186.38</u>
		<u>\$ 40,768,376.94</u>	<u>\$ 38,901,142.53</u>
Bonds and Notes Authorized but Not Issued	D-29	<u>\$ 667,000.00</u>	<u>\$ 101,750.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - OPERATING FUND

D-1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 773,000.00	\$ 60,000.00
Water Rents	D-3	7,865,214.27	7,439,148.02
Interest on Investments	D-3	14,733.28	20,389.49
Nonbudget Revenue	D-3	69,666.18	57,837.52
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	D-15	167,865.48	114,038.36
Water Rent Overpayments Cancelled	D-19	257.22	
		<u>8,890,736.43</u>	<u>7,691,413.39</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	D-4	1,918,149.00	2,067,016.00
Other Expenses	D-4	3,351,503.00	3,071,323.00
Capital Improvements	D-4	29,750.00	13,250.00
Debt Service	D-4	1,090,330.04	1,250,956.24
Deferred Charges	D-4	25,000.00	32,641.33
Statutory Expenditures	D-4	347,934.00	292,990.00
		<u>6,762,666.04</u>	<u>6,728,176.57</u>
Excess in Revenue		2,128,070.39	963,236.82
 <u>Fund Balance</u>			
Balance January 1	D	<u>1,073,086.65</u>	<u>169,849.83</u>
		3,201,157.04	1,133,086.65
 Decreased by:			
Utilized as Anticipated Revenue	D-3	<u>773,000.00</u>	<u>60,000.00</u>
Balance December 31	D	<u>\$ 2,428,157.04</u>	<u>\$ 1,073,086.65</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF FUND BALANCE
WATER CAPITAL FUND

D-2

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 59,395.27</u>
Balance December 31, 2011	D	<u>\$ 59,395.27</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF REVENUE

D-3

<u>Source</u>	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	D-1	\$ 773,000.00	\$ 773,000.00	\$
Water Rents	D-1, Below	6,005,466.00	7,865,214.27	1,859,748.27
Interest on Investments	D-1, Below	20,000.00	14,733.28	(5,266.72)
	D-4	<u>6,798,466.00</u>	<u>8,652,947.55</u>	<u>1,854,481.55</u>
Nonbudget Revenue	D-1,6,Below		69,666.18	69,666.18
		<u>\$ 6,798,466.00</u>	<u>\$ 8,722,613.73</u>	<u>\$ 1,924,147.73</u>

Analysis of Realized Revenue

Ref.

Water Rents

Consumer Accounts Receivable:

Collections

D-9

\$ 7,831,846.74

Overpayments Applied

D-19

33,367.53

Above

\$ 7,865,214.27

Interest on Investments

Collections

D-5

\$ 10,854.27

Interfunds Receivable

D-8

3,879.01

Above

\$ 14,733.28

Nonbudget Revenue

Capacity Fees

\$ 24,972.43

Tap Fee

3,140.00

Interest on Delinquent Water Rents

17,581.42

Final Fees

15,242.33

Miscellaneous Fees

360.00

Off/On Fees

4,350.00

Emergency Callouts

3,750.00

Hydrant Permits

270.00

Above

\$ 69,666.18

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-4
Sheet #1

STATEMENT OF EXPENDITURES

	Ref.	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
					Encumbered	Reserved Unencumbered	
<u>Operating</u>							
Salaries and Wages	D-1	\$ 1,893,149.00	\$ 1,918,149.00	\$ 1,867,486.94	\$ 50,662.06	\$	
Other Expenses	D-1	3,376,503.00	3,351,503.00	2,752,126.09	92,824.26	506,552.65	
		<u>5,269,652.00</u>	<u>5,269,652.00</u>	<u>4,619,613.03</u>	<u>92,824.26</u>	<u>557,214.71</u>	
<u>Capital Improvements</u>							
Capital Improvement Fund	D-1	29,750.00	29,750.00	29,750.00			
<u>Debt Service</u>							
Payment of Bond Principal:							
Regular		220,000.00	220,000.00	220,000.00			14,960.29
Refunding		616,000.00	616,000.00	616,000.00			20,000.00
Interest on Bonds		240,000.00	240,000.00	225,039.71			839.67
Interest on Notes		20,000.00	20,000.00	29,290.33			
Environmental Infrastructure Loan	D-1	30,130.00	30,130.00	29,290.33			
		<u>1,126,130.00</u>	<u>1,126,130.00</u>	<u>1,090,330.04</u>			<u>35,799.96</u>
<u>Deferred Charges</u>							
Special Emergency	D-1	25,000.00	25,000.00	25,000.00			
<u>Statutory Expenditures</u>							
Contributions to:							
Public Employees' Retirement System		199,781.00	199,781.00	190,912.00	8,869.00		
Social Security System (OASI)	D-1	148,153.00	148,153.00	104,404.93	43,748.07		
		<u>347,934.00</u>	<u>347,934.00</u>	<u>295,316.93</u>	<u>52,617.07</u>		
		<u>\$ 6,798,466.00</u>	<u>\$ 6,798,466.00</u>	<u>\$ 6,060,010.00</u>	<u>\$ 92,824.26</u>	<u>\$ 609,831.78</u>	<u>\$ 35,799.96</u>

Reference D-3 Sheet #2 D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

STATEMENT OF EXPENDITURES

D-4
Sheet #2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	D-5	\$ 5,802,484.87
Deferred Charges - Special Emergency	D-12	25,000.00
Accrued Interest on Bonds	D-17	225,039.71
Accrued Interest on Loans	D-18	<u>7,485.42</u>
	Sheet #1	<u>\$ 6,060,010.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE BALANCE SHEETS

E
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 9,426,048.05	\$ 7,441,736.72
Interfunds Receivable	E-9	<u>11,810.18</u>	<u>11,810.18</u>
		<u>9,426,048.05</u>	<u>7,453,546.90</u>
 <u>Assets with Full Reserves:</u>			
Sewer Revenue Accounts Receivable	E-10	691,079.61	708,389.59
Sewer Liens Receivable	E-11	721.81	721.81
Inventory - Materials and Supplies	E-12	<u>79,041.00</u>	<u>62,503.00</u>
		<u>770,842.42</u>	<u>771,614.40</u>
		<u>10,196,890.47</u>	<u>8,225,161.30</u>
 <u>Capital Fund</u>			
Cash - Checking	E-5,7	2,551,501.67	3,604,552.64
Loans Receivable	E-8	7,771,001.00	19,992,291.00
Fixed Capital	E-13	135,903,319.44	135,503,319.44
Fixed Capital Authorized and Uncompleted	E-14	<u>43,011,405.00</u>	<u>41,411,405.00</u>
		<u>189,237,227.11</u>	<u>200,511,568.08</u>
		<u>\$ 199,434,117.58</u>	<u>\$ 208,736,729.38</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE BALANCE SHEETS

E
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4,15	\$ 274,344.38	\$ 285,957.28
Unencumbered	E-4,15	1,497,685.97	1,475,626.04
Accrued Interest on Loans	E-16	106,596.45	110,101.43
Accrued Interest on Bonds	E-17	61,232.67	70,091.77
Sewer Overpayments	E-18	37,871.11	51,141.36
		1,977,730.58	1,992,917.88
Reserve for Receivables and Inventory		770,842.42	771,614.40
Fund Balance	E-1	7,448,317.47	5,460,629.02
		10,196,890.47	8,225,161.30
<u>Capital Fund</u>			
Serial Bonds	E-26	5,316,300.00	5,636,300.00
Refunding Bonds	E-25	3,465,000.00	4,440,000.00
Loans Payable	E-24	18,953,038.24	19,883,852.86
Improvement Authorizations:			
Funded	E-19	1,555,895.23	2,524,443.68
Unfunded	E-19	20,314,718.66	30,720,511.18
Capital Improvement Fund	E-20	1,023,750.00	1,023,750.00
Reserves for:			
Amortization	E-22	131,413,024.94	130,290,129.44
Deferred Amortization	E-23	7,091,616.26	5,888,697.14
Fund Balance	E-2	103,883.78	103,883.78
		189,237,227.11	200,511,568.08
		\$ 199,434,117.58	\$ 208,736,729.38
 Bonds and Notes Authorized but Not Issued	 E-27	 \$ 12,675,745.00	 \$ 10,775,745.00

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

E-1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	E-3	\$ 1,615,000.00	\$ 1,550,000.00
Sewer Rents	E-3	15,182,863.48	14,802,010.02
Septage Removal	E-3	867,639.55	495,463.65
Interest on Investments	E-3	47,655.50	43,671.25
Capacity and Connection Fees	E-3	59,073.34	17,184.39
Nonbudget Revenue	E-3	80,589.78	40,935.54
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	E-15	887,927.57	536,068.36
Accounts Payable Cancelled			41,986.50
		<u>18,740,749.22</u>	<u>17,527,319.71</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	E-4	3,277,580.00	3,323,840.00
Other Expenses	E-4	7,208,790.00	7,085,070.00
Capital Improvements	E-4	100,000.00	96,250.00
Debt Service	E-4	2,794,054.22	3,120,922.02
Deferred Charges			450.00
Statutory Expenditures	E-4	554,506.00	472,550.00
		<u>13,934,930.22</u>	<u>14,099,082.02</u>
Prior Year Revenue Refunds	E-5	503,130.55	453,105.35
		<u>14,438,060.77</u>	<u>14,552,187.37</u>
Excess in Revenue		4,302,688.45	2,975,132.34
<u>Fund Balance</u>			
Balance January 1	E	5,460,629.02	4,035,496.68
		<u>9,763,317.47</u>	<u>7,010,629.02</u>
Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget	E-3	1,615,000.00	1,550,000.00
Current Fund Budget	E-21	700,000.00	
		<u>2,315,000.00</u>	<u>1,550,000.00</u>
Balance December 31	E	<u>\$ 7,448,317.47</u>	<u>\$ 5,460,629.02</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF FUND BALANCE
SEWER CAPITAL FUND

E-2

	<u>Ref.</u>	
Balance December 31, 2010	E	<u>\$103,883.78</u>
Balance December 31, 2011	E	<u><u>\$103,883.78</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF REVENUE

E-3

<u>Source</u>	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	E-1	\$ 1,615,000.00	\$ 1,615,000.00	\$
Sewer Rents	E-1,Below	12,108,476.00	15,182,863.48	3,074,387.48
Septage Removal	E-1,Below	200,000.00	867,639.55	667,639.55
Interest on Investments	E-1,Below	35,000.00	47,655.50	12,655.50
Capacity and Connection Fees	E-1,6	15,000.00	59,073.34	44,073.34
		<u>13,973,476.00</u>	<u>17,772,231.87</u>	<u>3,798,755.87</u>
Nonbudget Revenue	E-1,6,Below		80,589.78	80,589.78
	E-4	<u>\$ 13,973,476.00</u>	<u>\$ 17,852,821.65</u>	<u>\$ 3,879,345.65</u>

Analysis of Realized Revenue

Sewer Rents

Collections	E-10	\$ 15,142,682.55
Overpayments Applied	E-18	40,180.93
	Above	<u>\$ 15,182,863.48</u>

Septage Removal

Collections	E-10	\$ 856,679.12
Overpayments Applied	E-18	10,960.43
	Above	<u>\$ 867,639.55</u>

Interest on Investments

Collections	E-5	\$ 32,642.28
Interfunds Receivable	E-9	15,013.22
	Above	<u>\$ 47,655.50</u>

Nonbudget Revenue

Interest on Delinquent Sewer Rents		\$ 46,854.84
FEMA Reimbursement		18,734.94
Sale of Municipal Assets		15,000.00
	Above	<u>\$ 80,589.78</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-4
Sheet #1

STATEMENT OF EXPENDITURES

	Ref.	Budget	Paid or Charged	Expended		Reserved	Balance Cancelled
				Encumbered	Unencumbered		
Salaries and Wages	E-1	\$ 3,277,580.00	\$ 3,151,938.98	\$	\$ 125,641.02		\$
Other Expenses	E-1	7,208,790.00	5,631,536.69	274,344.38	1,302,908.93		
		<u>10,486,370.00</u>	<u>8,783,475.67</u>	<u>274,344.38</u>	<u>1,428,549.95</u>		
<u>Capital Improvements</u>							
Capital Improvement Fund	E-1	<u>100,000.00</u>	<u>100,000.00</u>				
<u>Debt Service</u>							
Payment of Bond Principal:							
Serial		320,000.00	320,000.00				17,498.86
Refunding		975,000.00	975,000.00				20,000.00
Interest on Bonds		325,000.00	307,501.14				1,046.92
Interest on Notes		20,000.00					38,545.78
Environmental Infrastructure Loan		1,192,600.00	1,191,553.08				
	E-1	<u>2,832,600.00</u>	<u>2,794,054.22</u>				
<u>Statutory Expenditures</u>							
Contribution to:							
Public Employees' Retirement System		304,428.00	290,913.00		13,515.00		
Social Security System (OASI)		250,078.00	194,456.98		55,621.02		
	E-1	<u>554,506.00</u>	<u>485,369.98</u>		<u>69,136.02</u>		
		<u>\$13,973,476.00</u>	<u>\$12,162,899.87</u>	<u>\$274,344.38</u>	<u>\$1,497,685.97</u>		<u>\$38,545.78</u>
Reference			Sheet #2	E	E		

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

STATEMENT OF EXPENDITURES

E-4
Sheet #2

	<u>Ref.</u>	<u>Paid or</u> <u>Charged</u>
Cash Disbursed	E-5	\$ 11,594,660.27
Accrued Interest on Loans	E-16	260,738.46
Accrued Interest on Bonds	E-17	<u>307,501.14</u>
	Sheet #1	<u>\$ 12,162,899.87</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE BALANCE SHEETS

F
Sheet #1

<u>ASSETS</u>	Ref.	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>
<u>Operating Fund</u>			
Cash - Checking Account	F-5	\$ 793,687.17	\$ 981,914.11
Cash - Money Market Account	F-7	382,496.63	491,353.76
		<u>1,176,183.80</u>	<u>1,473,267.87</u>
Interfunds Receivable	F-9	40,301.14	
		<u>1,216,484.94</u>	<u>1,473,267.87</u>
 <u>Assets with Full Reserves:</u>			
Revenue Accounts Receivable	F-10	62,901.78	55,188.62
		<u>1,279,386.72</u>	<u>1,528,456.49</u>
 <u>Capital Fund</u>			
Cash - Money Market Account	F-7,8	676.95	212,591.28
Fixed Capital	F-11	23,852,276.61	22,732,276.61
Fixed Capital Authorized and Uncompleted	F-12	2,063,677.00	2,981,000.00
		<u>25,916,630.56</u>	<u>25,925,867.89</u>
		<u>\$ 27,196,017.28</u>	<u>\$ 27,454,324.38</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE BALANCE SHEETS

F
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2011</u>	<u>Balance Dec. 31, 2010</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	F-4,13	\$ 48,573.97	\$ 116,621.69
Unencumbered	F-4,13	210,601.41	228,652.03
Sales Tax Payable	F-14	457.70	150.69
Accrued Interest on Bonds	F-15	27,251.92	30,551.60
Membership Overpayments	F-16	1,145.08	3,305.89
Prepaid Revenue	F-17	2,000.00	4,000.00
Security Deposit	F-18	648,000.00	648,000.00
		938,030.08	1,031,281.90
Reserve for Receivables		62,901.78	55,188.62
Fund Balance	F-1	278,454.86	441,985.97
		1,279,386.72	1,528,456.49
<u>Capital Fund</u>			
Serial Bonds	F-25	1,938,700.00	2,078,700.00
Refunding Bonds	F-24	415,000.00	915,000.00
Improvement Authorizations:			
Funded	F-19	95,708.42	150,625.79
Unfunded	F-19	377,144.90	381,600.00
Capital Improvement Fund	F-20	28,343.05	28,343.05
Interfunds Payable	F-21	40,001.14	
Reserves for:			
Amortization	F-22	22,684,526.61	21,669,526.61
Deferred Amortization	F-23	302,684.00	667,550.00
Fund Balance	F-2	34,522.44	34,522.44
		25,916,630.56	25,925,867.89
		\$ 27,196,017.28	\$ 27,454,324.38
Bonds and Notes Authorized but Not Issued	F-26	\$ 575,043.00	\$ 382,500.00

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE

F-1

	<u>Ref.</u>	<u>Year 2011</u>	<u>Year 2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	F-3	\$ 355,000.00	\$ 275,000.00
Golf Fees	F-3	3,087,995.51	3,438,219.05
Room Rentals	F-3	15,032.75	14,354.50
Interest on Investments	F-3	8,491.68	21,400.73
Concession:			
Utilities	F-3	18,733.54	26,172.94
Rent	F-3	1,341,554.00	1,302,480.00
Nonbudget Revenue	F-3	30,737.51	3,564.44
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	F-13	149,203.62	202,832.11
Accounts Payable Cancelled			11,569.99
		<u>5,006,748.61</u>	<u>5,295,593.76</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating:			
Salaries and Wages	F-4	1,757,207.00	1,924,739.00
Other Expenses	F-4	2,003,300.00	1,990,456.00
Capital Improvements	F-4	10,134.00	15,000.00
Debt Service	F-4	739,301.72	721,479.55
Statutory Expenditures	F-4	304,837.00	263,491.00
		<u>4,814,779.72</u>	<u>4,915,165.55</u>
Prior Year Revenue Refunds	F-5	500.00	
		<u>4,815,279.72</u>	<u>4,915,165.55</u>
Excess in Revenue		191,468.89	380,428.21
<u>Fund Balance</u>			
Balance January 1	F	441,985.97	336,557.76
		<u>633,454.86</u>	<u>716,985.97</u>
Decreased by:			
Utilized as Anticipated Revenue	F-3	355,000.00	275,000.00
Balance December 31	F	<u>\$ 278,454.86</u>	<u>\$ 441,985.97</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF FUND BALANCE
CAPITAL FUND

F-2

	<u>Ref.</u>	
Balance December 31, 2010	F	<u>\$ 34,522.44</u>
Balance December 31, 2011	F	<u>\$ 34,522.44</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF REVENUE

F-3

<u>Source</u>	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Utilized	F-1	\$ 355,000.00	\$ 355,000.00	\$
Golf Fees	F-1,10	3,281,728.00	3,087,995.51	(193,732.49)
Room Rentals	F-1,6	10,000.00	15,032.75	5,032.75
Interest on Investments	F-1,Below	20,000.00	8,491.68	(11,508.32)
Concession:				
Utilities	F-1,6	25,000.00	18,733.54	(6,266.46)
Rent	F-1,6	1,296,000.00	1,341,554.00	45,554.00
		<u>4,987,728.00</u>	<u>4,826,807.48</u>	<u>(160,920.52)</u>
Nonbudget Revenue	F-1,6,Below		<u>30,737.51</u>	<u>30,737.51</u>
	F-4	<u>\$ 4,987,728.00</u>	<u>\$ 4,857,544.99</u>	<u>\$ (130,183.01)</u>

Analysis of Realized Revenue

Ref.

Interest on Investments

Collections	F-5	\$ 5,763.67
Accrued Interest:		
Money Market Account	F-7	1,992.87
Interfunds Receivable	F-9	<u>735.14</u>
	Above	<u>\$ 8,491.68</u>

Nonbudget Revenue

Prior Year Appropriation Refunds		\$ 3,635.00
FEMA Reimbursement		25,734.53
Miscellaneous		<u>1,367.98</u>
	Above	<u>\$ 30,737.51</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-4
Sheet #1

STATEMENT OF EXPENDITURES

	Ref.	Budget	Paid or Charged	Expended		Balance Cancelled
				Encumbered	Reserved / Unencumbered	
<u>Operating</u>						
Salaries and Wages	F-1	\$ 1,839,457.00	\$ 1,757,207.00	\$	\$	\$ 82,250.00
Other Expenses	F-1	2,078,300.00	1,791,935.57	48,573.97	162,790.46	75,000.00
		<u>3,917,757.00</u>	<u>3,549,142.57</u>	<u>48,573.97</u>	<u>162,790.46</u>	<u>157,250.00</u>
<u>Capital Improvements</u>						
Capital Improvement Fund	F-1	10,134.00	10,134.00			
<u>Debt Service</u>						
Payment of Bond Principal:						
Regular		140,000.00	140,000.00			10,698.28
Refunding		500,000.00	500,000.00			5,000.00
Interest on Bonds		110,000.00	99,301.72			
Interest on Notes	F-1	5,000.00				
		<u>755,000.00</u>	<u>739,301.72</u>			<u>15,698.28</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System		161,727.00	154,548.00		7,179.00	
Social Security System (OASI)	F-1	143,110.00	102,478.05		40,631.95	
		<u>304,837.00</u>	<u>257,026.05</u>		<u>47,810.95</u>	
		<u>\$ 4,987,728.00</u>	<u>\$ 4,555,604.34</u>	<u>\$ 48,573.97</u>	<u>\$ 210,601.41</u>	<u>\$ 172,948.28</u>

Reference F-3 Sheet #2 E E

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

STATEMENT OF EXPENDITURES

F-4
Sheet #2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	F-5	\$ 4,456,302.62
Accrued Interest on Bonds	F-15	<u>99,301.72</u>
	Sheet #1	<u>\$ 4,555,604.34</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEETS

G

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2010</u>
 <u>Trust Fund Account #1</u>			
Cash	G-1	\$ 8,563.31	\$ 13,868.00
Interfunds Receivable	G-2	2.70	
		\$ 8,566.01	\$ 13,868.00
 <u>LIABILITIES AND FUND BALANCE</u>			
 <u>Trust Fund Account #1</u>			
Interfunds Payable	G-3	\$	\$ 2.70
Reserve for Public Assistance Trust Fund Expenditures	G-4	8,566.01	13,865.30
		\$ 8,566.01	\$ 13,868.00

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
PAYROLL FUND

COMPARATIVE BALANCE SHEETS

H

<u>ASSETS</u>	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>
Cash	\$ 296,511.30	\$ 238,662.19
Due from Free Public Library	60,471.42	27,900.24
Due from Employee		39.28
Due from Current Fund		987.48
	<u>\$ 356,982.72</u>	<u>\$ 267,589.19</u>
<u>LIABILITIES AND RESERVES</u>		
Payroll Deductions Payable	\$ 356,662.17	\$ 267,589.19
Due to Current Fund	295.15	
Due to General Trust Fund	25.40	
	<u>\$ 356,982.72</u>	<u>\$ 267,589.19</u>

See accompanying notes to financial statements.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS

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<u>CAPITAL FIXED ASSETS</u>	Balance Dec. 31, 2011	Balance Dec. 31, 2010
Building	\$ 31,168,700.00	\$ 31,095,300.00
Land	101,893,060.00	101,792,460.00
Vehicles and Road Equipment	16,437,425.27	15,881,610.36
Other Equipment	2,439,207.89	2,512,671.89
Furniture and Fixtures	<u>107,172.95</u>	<u>107,172.95</u>
	<u>\$ 152,045,566.11</u>	<u>\$ 151,389,215.20</u>
 <u>RESERVES</u>		
Investment in Capital Fixed Assets	<u>\$ 152,045,566.11</u>	<u>\$ 151,389,215.20</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF PARSIPPANY-TROY HILLS

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of ParsIPPany-Troy Hills is organized with a Mayor-Council form of government under the provisions of N.J.S. 40:69A-31 et seq. As stated under the statutory reference, the Township shall be governed by an elected council and an elected mayor and by such other officers and employees as may be duly appointed pursuant to this article. The mayor shall be elected by the voters of the municipality and shall serve for a term of four years and the council shall consist of five members who shall also serve a term of four years. The terms of office of the mayor and council members shall begin on January 1st next following their election.

Each member of the Council carries a legislative vote.

Governmental Accounting Standards Board (GASB) establishes certain standards for defining and reporting on the financial entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Township of ParsIPPany-Troy Hills include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5. The financial statements, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

B. Description of Funds

The Governmental Accounting Standards Board ("GASB") is the recognized standard setting body for establishing governmental accounting and financial reporting principles. However, the accounting policies of the Township of ParsIPPany-Troy Hills conform to the accounting principles applicable to municipalities that have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. These principles are an "Other Comprehensive Basis of Accounting" ("OCBOA") which differs from accounting principles generally accepted in the United States of America ("GAAP") for governmental entities. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of ParsIPPany-Troy Hills accounts for its financial transactions through the following separate funds and an account which differs from GAAP.

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund, General Trust Fund and Grant Trust Fund for specific programs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Description of Funds (Continued)

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as related long-term debt accounts.

Utilities Funds - Water, Sewer and Golf and Recreation Utilities are treated as separate entities. Each maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township of Parsippany-Troy Hills pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Payroll Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into the Payroll Fund. A Payroll Fund does not exist under GAAP.

Capital Fixed Assets - This account reflects estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from generally accepted accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulations for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township of Parsippany-Troy Hills budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Basis of Accounting (Continued)**

Expenditures (Continued)

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986, all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water and Sewer Utilities is required, by regulation, to be prepared by Township personnel for inclusion on the Water and Sewer Utilities Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township of Parsippany-Troy Hills has developed a fixed asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Capital fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water, Sewer and the Golf and Recreation Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

Utilities: (Continued)

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

D. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township of Parsippany-Troy Hills presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

B. Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- . Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of State laws permit local governments to invest in a wide range of obligations issued by State governments and its agencies.

As of December 31, 2011, the Township had funds on deposit in checking, governmental money market funds and investment accounts. The amount on deposit of the Township's Cash and Cash Equivalents as of December 31, 2011 was \$44,427,229.92. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40. There were no securities categorized as investments as defined by GASB Statement No. 40.

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and is calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate	<u>\$2.498</u>	<u>\$2.442</u>	<u>\$2.335</u>	<u>\$2.227</u>	<u>\$2.14</u>
Apportionment of Tax Rate:					
Municipal	\$0.540	\$0.562	\$0.517	\$0.491	\$0.47
County	0.275	0.267	0.256	0.244	0.23
School	1.599	1.564	1.499	1.417	1.36
Municipal Open Space	0.020	0.020	0.020	0.020	0.02
Municipal Library Tax	0.042				
County Open Space	0.022	0.029	0.043	0.055	0.06

Fire District tax rates are not included above.

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2011	\$ 7,342,895,797.00
2010	7,415,751,416.00
2009	7,498,142,742.00
2008	7,546,086,291.00
2007	7,588,282,376.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy*</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$ 186,427,295.92	\$ 185,020,169.71	99.24 %
2010	184,193,966.89	182,917,252.71	99.30
2009	178,695,176.29	177,178,888.71	99.15
2008	171,522,238.16	170,225,464.39	99.24
2007	165,266,161.08	163,700,457.97	99.05

*Includes Levy for Fire District.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$ 109,332.75	\$ 1,364,381.90	\$1,473,714.65	0.79 %
2010	100,496.76	1,233,153.71	1,333,650.47	0.72
2009	87,540.43	1,480,992.52	1,568,532.95	0.87
2008	82,483.93	1,270,453.41	1,352,937.34	0.78
2007	79,224.37	1,541,387.66	1,620,612.03	0.98

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties in the year of acquisition, was as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ 1,428,800.00
2010	1,428,800.00
2009	1,428,800.00
2008	1,428,800.00
2007	1,428,800.00

5. WATER CONSUMER ACCOUNTS RECEIVABLE

The Township of Parsippany-Troy Hills maintains a utility fund for the billing and collection of water rents. Billings are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2011	\$ 7,862,782.64	\$ 7,865,214.27
2010	7,505,244.93	7,439,148.02
2009	5,664,812.85	6,011,261.04
2008	6,436,900.54	6,568,449.47
2007	6,139,985.33	5,941,859.33

6. SEWER TREATMENT PLANT INCOME

The Township of Parsippany-Troy Hills maintains a utility fund for the billing and collection of sewer rents and septage removal. The Township bills sewer user charges on a quarterly basis and septage removal on a monthly basis.

6. SEWER TREATMENT PLANT INCOME (Continued)

A comparison of billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2011	\$ 16,033,193.05	\$ 16,050,503.03
2010	15,484,285.03	15,297,473.67
2009	15,019,265.31	15,709,081.19
2008	15,806,553.59	15,594,651.19
2007	15,614,475.67	15,723,913.93

7. GOLF AND RECREATION FEES

The Township of Parsippany-Troy Hills maintains a utility fund for two golf courses. The Knoll West Golf Course is a private golf course and the Knoll East Golf Course is a public golf course.

A comparison of accrued revenue for the past five years is as follows:

<u>Year</u>	<u>Total</u>	<u>Membership Fees</u>	<u>Other Fees</u>	<u>Cart Rentals</u>
2011	\$ 3,106,331.98	\$ 847,399.00	\$ 1,745,634.50	\$ 513,298.48
2010	3,447,404.71	826,015.58	2,027,308.76	594,080.37
2009	3,418,755.09	831,719.00	2,008,348.40	578,687.69
2008	3,525,559.64	829,385.30	2,086,312.89	609,861.45
2007	3,558,204.93	827,856.00	2,112,485.39	617,863.54

8. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2011	\$ 5,703,535.46	\$ 3,400,000.00
	2010	6,163,262.94	3,450,000.00
	2009	5,588,804.11	3,250,000.00
	2008	5,441,427.77	3,300,000.00
	2007	6,185,186.93	4,000,000.00
Water Utility Operating Fund:	2011	2,428,157.04	850,000.00
	2010	1,073,086.65	773,000.00
	2009	169,849.83	60,000.00
	2008	369,849.83	200,000.00
	2007	325,918.51	200,000.00
Sewer Utility Operating Fund:	2011	7,448,317.47	2,000,000.00
	2010	5,460,629.02	1,615,000.00
	2009	4,035,496.68	1,550,000.00
	2008	2,161,756.18	500,000.00
	2007	1,241,457.60	-
Golf and Recreation Utility Operating Fund:	2011	278,454.86	200,000.00
	2010	441,985.97	355,000.00
	2009	336,557.76	275,000.00
	2008	629,185.09	550,000.00
	2007	791,039.09	350,000.00

9. PENSION PLANS

Description of Systems

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System is considered a cost sharing multiple-employer plan.

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Pension benefits for members enrolled in the system after May 21, 2010 would be based on 1/60th of the average annual compensation for the last five years of service or any five fiscal years of membership that provide the largest benefit to the member or the member's beneficiary. Early retirement is available to those under age 60 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above-mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and, if required to retire because of attaining the mandatory retirement age of 65 years, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

9. PENSION PLANS (Continued)

Contributions Required and Made

In accordance with the provisions of Chapter 78, P.L. 2011, employee pension contributions rates will be increased for PERS from 5.5% to 6.5% and for PFRS from 8.5% to 10% of their base wages, respectfully. These increases will be effective with the first payroll amount to be paid on or after October 1, 2011.

Employee contributions for PERS employees will be increased from 6.5% to 7.5% to be phased in equally over a 7 year period beginning July 2012. The contribution rate will increase by 0.14% each year with the first payroll of July until the 7.5% contribution rate is reached in July 2018.

Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past three (3) years are as follows:

Year	PERS		PFRS	
	Township	Employees	Township	Employees
2011	\$ 1,955,061.00	\$ 882,120.64	\$ 3,055,660.00	\$ 941,619.00
2010	1,526,781.00	865,453.10	2,418,638.00	909,946.09
2009	1,330,019.00	866,648.99	2,431,785.00	947,985.87

10. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the municipal base salary required for eligibility in the DCRP was increased to \$5,000.00.

The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

10. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Description of System (Continued)

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. Contributions to the plan for the past two years are as follows:

<u>Year</u>	<u>Township</u>	<u>Employees</u>
2011	\$ 5,030.59	\$ 7,281.04
2010	643.89	1,141.19

11. POST-RETIREMENT BENEFITS

Plan Description

The Township of Parsippany, by contractual agreement, provides certain post-employment benefits to retired employees and their covered eligible dependents which include health insurance, prescription, dental and vision coverage. Eligible employees who retire in the Police and Firemen's Retirement System also receive life insurance coverage.

For the employee to be eligible for such benefits the retiree in the Public Employees' Retirement System must have twenty-five years or more of pension service credits and twenty-five years of service with the Township and the retiree in the Police and Firemen's System must have twenty-five years or more of pension service credits and fifteen years of service with the Township.

Eligible retirees under the Public Employees' Retirement System will receive post-employment benefits until they reach the age of 65. Eligible retirees under the Police and Firemen's Retirement System will receive post-employment benefits for life.

Actuarial Valuations

The Township of Parsippany has contracted with an actuary and received an actuarial certification regarding the plan in accordance with the requirements of GASB 45, detailed as follows:

Unfunded Accrued Liability as of December 31, 2011	<u>\$ 79,440,000.00</u>
Net OPEB Obligation December 31, 2010	\$ 2,950,000.00
Annual OPEB Cost	<u>5,250,000.00</u>
	8,200,000.00
Contributions Made	<u>2,450,000.00</u>
Net OPEB Obligation December 31, 2011	<u>\$ 5,750,000.00</u>

Other Information

Participant Information:

Active Employees Plus Dependents	384
Retirees Plus Dependents	123

Market Value of Assets \$ -

12. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary, and must be paid off within ten years and five months or retired by the issuance of bonds.

Summary of Municipal Debt (Excluding Current and Operating Debt)

	<u>Year 2011</u>	<u>Year 2010</u>	<u>Year 2009</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 56,896,000.00	\$ 63,430,000.00	\$ 63,947,809.86
Loans	613,689.92	734,199.87	852,335.30
Water Utility Fund:			
Bonds and Notes	6,279,000.00	7,115,000.00	6,915,766.15
Loans	283,839.52	305,644.43	327,803.64
Sewer Utility Fund:			
Bonds and Notes	8,781,300.00	10,076,300.00	11,596,064.21
Loans	18,953,038.24	19,883,852.86	
Golf and Recreation Fund:			
Bonds and Notes	2,353,700.00	2,993,700.00	3,395,385.52
	<u>94,160,567.68</u>	<u>104,538,697.16</u>	<u>87,035,164.68</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	11,818,078.69	6,716,918.69	6,133,781.69
Water Utility:			
Bonds and Notes	667,000.00	101,750.00	982,500.00
Sewer Utility:			
Bonds and Notes	12,675,745.00	10,775,745.00	34,310,555.00
Golf and Recreation Utility:			
Bonds and Notes	575,043.00	382,500.00	285,000.00
	<u>25,735,866.69</u>	<u>17,976,913.69</u>	<u>41,711,836.69</u>
Total Debt	<u>119,896,434.37</u>	<u>122,515,610.85</u>	<u>128,747,001.37</u>
Less: Reserve for Debt Service:			
General Capital Fund	68,262.39	29,295.79	1,998.79
Water Capital Fund	204,438.21	204,438.21	204,438.21
	<u>272,700.60</u>	<u>233,734.00</u>	<u>206,437.00</u>
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 119,623,733.77</u>	<u>\$ 122,281,876.85</u>	<u>\$ 128,540,564.37</u>

12. MUNICIPAL DEBT (Continued)

Summary of Statutory Debt Condition - Annual Debt Service

The summarized statement of debt condition which follows is prepared in accordance with the required methods of setting up the Annual Debt Statement and indicates a statutory net debt of 0.739%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School	\$ 42,583,000.00	\$ 42,583,000.00	\$
General	69,327,768.61	68,262.39	69,259,506.22
Water Utility	7,229,839.52	7,229,839.52	
Sewer Utility	40,410,083.24	40,410,083.24	
Golf and Recreation Utility	<u>2,928,743.00</u>	<u>2,928,743.00</u>	
	<u>\$ 162,479,434.37</u>	<u>\$ 93,219,928.15</u>	<u>\$ 69,259,506.22</u>

Net debt, \$69,259,506.22, divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$9,371,643,519.00 equals 0.739%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis	\$ 328,007,523.16
Net Debt	<u>69,259,506.22</u>
Remaining Borrowing Power	<u>\$ 258,748,016.94</u>

Calculation of "Self-Liquidating Purposes" Water Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year	\$ 8,722,613.73
Deductions:	
Operating and Maintenance Costs	\$ 5,617,586.00
Debt Service per Water Utility Operating Fund	<u>1,090,330.04</u>
	<u>6,707,916.04</u>
Excess in Revenue	<u>\$ 2,014,697.69</u>

There being an excess in revenue, all Water Utility Debt is deductible for Debt Statement purposes.

12. MUNICIPAL DEBT (Continued)

Calculation of "Self-Liquidating Purposes" Sewer Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 17,852,821.65
Deductions:		
Operating and Maintenance Costs	\$ 11,040,876.00	
Debt Service per Water Utility Operating Fund	<u>2,794,054.22</u>	
		<u>13,834,930.22</u>
Excess in Revenue		<u>\$ 4,017,891.43</u>

There being an excess in revenue, all Sewer Utility Debt is deductible for Debt Statement purposes.

Calculation of "Self-Liquidating Purposes" Golf and Recreation Utility per N.J.S. 40A:2-45

Fund Balance Utilized and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 4,857,544.99
Deductions:		
Operating and Maintenance Costs	\$ 4,065,344.00	
Debt Service per Water Utility Operating Fund	<u>739,301.72</u>	
		<u>4,804,645.72</u>
Excess in Revenue		<u>\$ 52,899.27</u>

There being an excess in revenue, all Golf and Recreation Utility Debt is deductible for Debt Statement purposes.

The foregoing debt information is in agreement with the Revised Annual Debt Statement filed by the Township's Chief Financial Officer.

12. MUNICIPAL DEBT (Continued)

As of December 31, 2011, the Township's long-term debt is as follows:

General Obligation Bonds

of \$1,450,000.00 to \$2,000,000.00 through July, 2019, interest at 3.50% to 4.00%	13,300,000.00	
\$14,425,000.00, 2010 Bonds due in annual installments of \$1,150,000.00 through November, 2023, interest at 2.00% to 3.00%	13,800,000.00	
\$1,325,000.00, 2010 Bonds due in annual installments of \$265,000.00 through November, 2015, interest at 2.00%	<u>1,060,000.00</u>	\$ 46,361,000.00

Refunding Bonds:

\$12,092,000.00, 2010 Bonds due in annual installments of \$1,595,000.00 to \$1,940,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>10,535,000.00</u>	
		<u>\$ 56,896,000.00</u>

12. MUNICIPAL DEBT (Continued)

Water Utility Bonds

Serial Bonds:

\$456,000.00, 2005 Bonds due in annual installments of \$30,000.00 to \$40,000.00 through July, 2020, interest at 4.00%	\$ 316,000.00	
\$1,700,000.00, 2008 Bonds due in annual installments of \$100,000.00 to \$200,000.00 through July, 2019, interest at 3.50% to 4.00%	1,400,000.00	
\$1,988,000.00, 2010 Bonds due in annual installments of \$90,000.00 to \$175,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>1,898,000.00</u>	\$ 3,614,000.00

Refunding Bonds:

\$1,185,000.00, 2003 Bonds due in annual installments of \$120,000.00 to \$125,000.00 through December, 2013, interest at 4.00%	245,000.00	
\$1,630,000.00, 2009 Bonds due in annual installments of \$175,000.00 to \$190,000.00 through December, 2017, interest at 2.00% to 4.125%	1,095,000.00	
\$1,524,000.00, 2010 Bonds due in annual installments of \$200,000.00 to \$240,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>1,325,000.00</u>	<u>2,665,000.00</u>
		<u>\$ 6,279,000.00</u>

12. MUNICIPAL DEBT (Continued)

Sewer Utility Bonds

\$1,283,000.00, 2005 Bonds due in annual installments of \$80,000.00 to \$115,000.00 through July, 2020, interest at 4.00%	\$ 878,000.00	
\$800,000.00, 2008 Bonds due in annual installments of \$60,000.00 to \$100,000.00 through July, 2019, interest at 3.50% to 4.00%	620,000.00	
\$4,003,300.00, 2010 Bonds due in annual installments of \$185,000.00 to \$370,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>3,818,300.00</u>	\$ 5,316,300.00

Refunding Bonds:

\$2,985,000.00, 2003 Bonds due in annual installments of \$170,000.00 to \$175,000.00 through December, 2013, interest at 4.00%	345,000.00	
\$2,871,000.00, 2009 Bonds due in annual installments of \$310,000.00 to \$330,000.00 through December, 2017, interest at 2.00% to 4.125%	1,925,000.00	
\$1,374,000.00, 2010 Bonds due in annual installments of \$180,000.00 to \$220,000.00 through October, 2017, interest at 2.00% to 5.00%	<u>1,195,000.00</u>	<u>3,465,000.00</u>
		<u>\$ 8,781,300.00</u>

12. MUNICIPAL DEBT (Continued)

Golf and Recreation Utility Bonds

Serial Bonds:

\$1,500,000.00, 2008 Bonds due in annual installments of \$100,000.00 to \$170,000.00 through July, 2019, interest at 3.50% to 4.00%	\$ 1,220,000.00	
\$758,700.00, 2010 Bonds due in annual installments of \$40,000.00 to \$80,000.00 through November, 2023, interest at 2.00% to 3.00%	<u>718,700.00</u>	\$ 1,938,700.00

Refunding Bonds:

\$3,805,000.00, 2003 Bonds due in annual installments of \$415,000.00 through December, 2012, interest at 4.00%		<u>415,000.00</u>
		<u>\$ 2,353,700.00</u>

Green Acres Trust Loans Payable

The Township of Parsippany-Troy Hills entered into loan agreements with the State of New Jersey, Department of Environmental Protection and Energy under the Green Acres Trust Program to finance part of the acquisition of certain lands at an interest rate of 2.0%.

\$1,500,000.00, 1996 Loan due in semi-annual installments of \$46,637.40 through April, 2016, interest at 2.0%	\$ 399,496.74	
\$664,482.00, 1997 Loan due in semi-annual installments of \$20,659.80 through May, 2017, interest at 2.0%	<u>214,193.18</u>	<u>\$ 613,689.92</u>

N.J. Environmental Infrastructure Trust Loan Payable

Loan agreements were entered into by the Township of Parsippany-Troy Hills with the New Jersey Department of Environmental Protection for the purpose of improvements to the water system in 2001 at an interest rate of 4.75% to 5.50% and for the purpose of improvements to the waste water treatment plant in 2010 at an interest rate of .86% to 5.00%. Loans payable at December 31, 2011 in the amount of \$19,236,877.76 are detailed as follows:

	<u>Total</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Trust Share	\$ 6,168,095.08	\$ 155,000.00	\$ 6,013,095.08
Fund Share	<u>13,068,782.68</u>	<u>128,839.52</u>	<u>12,939,943.16</u>
	<u>\$ 19,236,877.76</u>	<u>\$ 283,839.52</u>	<u>\$ 18,953,038.24</u>

12. MUNICIPAL DEBT (Continued)

An amortization schedule detailing principal and interest is detailed as follows:

Calendar Year	Total	Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest
2012	\$ 1,225,883.65	\$ 21,450.59	\$ 7,775.00	\$ 940,826.58	\$ 255,831.48
2013	1,232,200.35	29,317.28	7,225.00	950,843.27	244,814.80
2014	1,234,343.87	28,785.81	6,400.00	965,865.78	233,292.28
2015	1,230,860.72	28,302.66	5,650.00	975,896.48	221,011.58
2016	1,231,877.58	27,819.52	4,900.00	990,935.48	208,222.58
2017	1,227,144.42	27,336.36	4,150.00	1,000,982.22	194,675.84
2018	1,226,911.28	26,853.22	3,400.00	1,016,036.10	180,621.96
2019	1,225,928.13	26,370.07	2,650.00	1,031,095.24	165,812.82
2020	1,230,515.97	34,107.91	1,900.00	1,041,160.42	153,347.64
2021	1,232,954.16	33,496.10	950.00	1,061,231.84	137,276.22
2022	1,198,308.06			1,071,308.56	126,999.50
2023	1,199,308.07			1,086,392.39	112,915.68
2024	1,194,708.07			1,096,482.63	98,225.44
2025	1,194,708.06			1,111,578.46	83,129.60
2026	1,199,108.06			1,131,680.52	67,427.54
2027	1,194,758.08			1,141,789.24	52,968.84
2028	1,197,958.06			1,161,904.80	36,053.26
2029	1,195,358.63			1,177,028.23	18,330.40
	<u>\$ 21,872,835.22</u>	<u>\$ 283,839.52</u>	<u>\$ 45,000.00</u>	<u>\$ 18,953,038.24</u>	<u>\$ 2,590,957.46</u>

Bond Anticipation Notes

There were no Bond Anticipation Notes outstanding at December 31, 2011.

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Bonded Debt Issued and Outstanding

REFUNDING BONDS

2003 ISSUE

Calendar Year	Total	Water Utility		Sewer Utility		Golf and Recreation Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 750,200.00	\$ 120,000.00	\$ 9,800.00	\$ 175,000.00	\$ 13,800.00	\$ 415,000.00	\$ 16,600.00
2013	306,800.00	125,000.00	5,000.00	170,000.00	6,800.00		
	<u>\$ 1,057,000.00</u>	<u>\$ 245,000.00</u>	<u>\$ 14,800.00</u>	<u>\$ 345,000.00</u>	<u>\$ 20,600.00</u>	<u>\$ 415,000.00</u>	<u>\$ 16,600.00</u>

2009 ISSUE

Calendar Year	Total	Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest
2012	\$ 588,493.76	\$ 175,000.00	\$ 37,568.76	\$ 310,000.00	\$ 65,925.00
2013	583,793.76	175,000.00	34,068.76	315,000.00	59,725.00
2014	571,600.00	180,000.00	27,900.00	315,000.00	48,700.00
2015	566,800.00	185,000.00	20,700.00	325,000.00	36,100.00
2016	556,400.00	190,000.00	13,300.00	330,000.00	23,100.00
2017	541,450.00	190,000.00	7,837.50	330,000.00	13,612.50
	<u>\$ 3,408,537.52</u>	<u>\$ 1,095,000.00</u>	<u>\$ 141,375.02</u>	<u>\$ 1,925,000.00</u>	<u>\$ 247,162.50</u>

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

REFUNDING BONDS

2010 ISSUE

Calendar Year	Total	General		Water Utility		Sewer Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 2,448,450.02	\$ 1,595,000.00	\$ 381,981.26	\$ 200,000.00	\$ 48,043.76	\$ 180,000.00	\$ 43,425.00
2013	2,474,200.02	1,660,000.00	334,131.26	210,000.00	42,043.76	190,000.00	38,025.00
2014	2,485,500.00	1,720,000.00	286,800.00	215,000.00	36,050.00	195,000.00	32,650.00
2015	2,490,400.00	1,775,000.00	234,300.00	225,000.00	29,450.00	200,000.00	26,650.00
2016	2,508,850.00	1,845,000.00	176,550.00	235,000.00	22,150.00	210,000.00	20,150.00
2017	2,518,300.00	1,940,000.00	95,600.00	240,000.00	11,800.00	220,000.00	10,900.00
	<u>\$ 14,925,700.04</u>	<u>\$ 10,535,000.00</u>	<u>\$ 1,509,362.52</u>	<u>\$ 1,325,000.00</u>	<u>\$ 189,537.52</u>	<u>\$ 1,195,000.00</u>	<u>\$ 171,800.00</u>

12. MUNICIPAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

GENERAL BONDS

Calendar Year	Total	General		Water Utility		Sewer Utility		Golf and Recreation Utility	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 6,459,200.00	\$ 3,855,000.00	\$ 1,588,077.50	\$ 220,000.00	\$ 112,725.00	\$ 325,000.00	\$ 154,386.00	\$ 140,000.00	\$ 64,011.50
2013	6,580,750.00	3,956,000.00	1,469,427.50	231,000.00	106,225.00	423,000.00	145,386.00	190,000.00	59,711.50
2014	6,671,400.00	4,000,000.00	1,346,987.50	388,000.00	99,485.00	458,300.00	134,266.00	190,700.00	53,661.50
2015	6,648,660.00	4,095,000.00	1,222,787.50	400,000.00	88,025.00	470,000.00	122,250.00	203,000.00	47,597.50
2016	6,347,625.00	3,930,000.00	1,091,162.50	400,000.00	75,825.00	485,000.00	109,725.00	215,000.00	40,912.50
2017	6,355,125.00	4,075,000.00	960,962.50	410,000.00	63,625.00	490,000.00	96,725.00	225,000.00	33,812.50
2018	6,577,075.00	4,425,000.00	822,337.50	410,000.00	50,787.50	530,000.00	82,750.00	230,000.00	26,200.00
2019	6,458,925.00	4,470,000.00	682,587.50	415,000.00	37,012.50	560,000.00	66,425.00	230,000.00	17,900.00
2020	3,853,612.50	2,520,000.00	498,162.50	215,000.00	22,600.00	465,000.00	48,400.00	75,000.00	9,450.00
2021	3,655,112.50	2,565,000.00	408,862.50	175,000.00	15,750.00	370,000.00	33,300.00	80,000.00	7,200.00
2022	3,590,262.50	2,610,000.00	317,762.50	175,000.00	10,500.00	370,000.00	22,200.00	80,000.00	4,800.00
2023	3,588,612.50	2,720,000.00	224,862.50	175,000.00	5,250.00	370,000.00	11,100.00	80,000.00	2,400.00
2024	1,697,562.50	1,570,000.00	127,562.50						
2025	1,634,762.50	1,570,000.00	64,762.50						
	<u>\$ 70,118,685.00</u>	<u>\$ 46,361,000.00</u>	<u>\$ 10,806,305.00</u>	<u>\$ 3,614,000.00</u>	<u>\$ 687,810.00</u>	<u>\$ 5,316,300.00</u>	<u>\$ 1,026,913.00</u>	<u>\$ 1,938,700.00</u>	<u>\$ 367,657.00</u>

The interest reflected above is on the cash basis for all funds.

12. MUNICIPAL DEBT (Continued)

Green Acres Trust Acquisition Loans

An Amortization Schedule detailing principal and interest is detailed as follows:

Calendar Year	Total	1996 Loan		1997 Loan	
		Principal	Interest	Principal	Interest
2012	\$ 134,594.39	\$ 85,711.28	\$ 7,563.51	\$ 37,220.92	\$ 4,098.68
2013	134,594.38	87,434.07	5,840.71	37,969.06	3,350.54
2014	134,594.38	89,191.50	4,083.28	38,732.24	2,587.36
2015	134,594.40	90,984.25	2,290.53	39,510.77	1,808.85
2016	87,957.01	46,175.64	461.76	40,304.93	1,014.68
2017	20,659.81			20,455.26	204.55
	<u>\$ 646,994.37</u>	<u>\$ 399,496.74</u>	<u>\$ 20,239.79</u>	<u>\$ 214,193.18</u>	<u>\$ 13,064.66</u>

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amounts:

Fund	Balance Dec. 31, 2011
General Capital Fund:	
General Improvements	\$ 11,818,078.69
Water Utility Capital Fund:	
General Improvements	667,000.00
Sewer Utility Capital Fund:	
General Improvements	12,675,745.00
Golf and Recreation Utility Capital Fund:	
General Improvements	<u>575,043.00</u>
	<u>\$ 25,735,866.69</u>

13. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2011, interfund receivables and payables that resulted from various interfund transactions were as follows:

Fund	Due from Other Funds	Due to Other Funds
Current Fund	\$ 3,258.46	\$ 235,347.66
Animal Control Trust Fund	49,146.02	
General Trust Fund	25.40	2,963.31
General Capital Fund	185,898.94	
Golf and Recreation Utility Operating Fund	40,301.14	
Golf and Recreation Utility Capital Fund		40,001.14
Public Assistance Trust Fund	2.70	
Payroll Fund		320.55
	<u>\$ 278,632.66</u>	<u>\$ 278,632.66</u>

14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the balance sheets of the Current Fund and Water Operating Fund:

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>2012 Budget</u> <u>Appropriation</u>
Current Fund:		
Emergency Authorization	\$ 140,000.00	\$ 140,000.00
Special Emergency Authorization	1,466,755.00	329,189.00
Water Operating Fund:		
Special Emergency Authorization	50,000.00	25,000.00

15. DEFERRED COMPENSATION PLAN

The Township of Parsippany-Troy Hills offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The Township of Parsippany-Troy Hills authorized such modifications to their plan by resolution of the Township Council adopted December 15, 1998.

The Administrator for the Township of Parsippany-Troy Hills Deferred Compensation Plan is the American United Life Insurance Company and Metropolitan Life Insurance Company.

16. RISK MANAGEMENT

The Township is self-insured to the extent of the amounts "deductible" from umbrella insurance coverage for Workers' Compensation and Dental Insurance.

The Township was a member of IDA Health Insurance Program for major medical coverage for 2011.

Umbrella insurance coverage currently in force is carried for excess Workers' Compensation claims, with specified limits detailed as follows:

Specific Loss:

The Township can pay no more than \$450,000.00 for any one accident or occurrence.

There have been no provisions in the financial statements for claims incurred but not reported as of December 31, 2011.

16. RISK MANAGEMENT (Continued)

Claims for workers' compensation are funded on a cash basis through a loss fund which is administered by D and H Alternative Risk Solutions. A summary of the workers' compensation fund held by the insurance agent is detailed as follows:

Balance December 31, 2010	\$ 48,130.48
Receipts	<u>1,113,447.01</u>
	1,161,577.49
Disbursements	<u>1,105,221.37</u>
Balance December 31, 2011	<u>\$ 56,356.12</u>

17. CONTINGENT LIABILITIES

a. Compensated Absences

The policy of the Township of Parsippany-Troy Hills concerning sick, vacation and personal days is summarized as follows:

Sick Benefit Plan:

Employees in their first year of service can accrue one sick day per month of employment. Those employees who have completed one full year of continuous service are entitled to 15 sick days per year. Unused sick leave may be accumulated without limitation.

Eligible employees, upon retirement, receive compensation for one-half of their accumulated sick days at the rate of compensation then in effect.

Police Officers will receive sixty-six percent of accumulated sick days at the rate of compensation then in effect, with a limit of two hundred days. Notwithstanding the foregoing, officers who have accumulated more than three hundred (300) days of sick leave as of July 20, 1999 will be grandfathered at such higher number, subject, however, to reduction due to subsequent use of such sick days.

Police Officers have the option of taking a terminal leave and receiving compensation on a bi-weekly basis for their prorated number of unused sick days.

Vacation Plan:

Vacation days are based upon length of service and level of employment. Upon termination, unused vacation days are paid to eligible employees computed on the employee's salary at the time of separation. The employee may elect to utilize all earned vacation days immediately preceding his separation.

Personal Days:

Employees are entitled to three personal days each year. Personal days cannot be accumulated or carried over into the next year.

Police Officers, upon termination, will be paid for any unused personal days earned before December 31, 1998, computed on the employee's salary at the time of separation.

17. CONTINGENT LIABILITIES (Continued)

a. Compensated Absences (Continued)

It is estimated that the sum of \$6,411,799.38 computed internally at the 2011 salary rates would be payable to 348 officials and employees of the Township of Parsippany-Troy Hills as of December 31, 2011 for accumulated sick, vacation and personal days. This amount was not verified by audit.

Provision for the above is not reflected on the Financial Statements of the Township.

b. Tax Appeals

As of April 23, 2012 there were seventy appeals pending before the New Jersey Tax Court with an assessed valuation of \$971,079,200.00. Potential liability was undeterminable. The Township has made provision from tax revenues, in the amount of \$667,320.63, for these appeals in the event that tax reductions are granted.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

c. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2011 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Litigation

There is no significant litigation or any contingent liabilities, unasserted claims or assessments or statutory violations which would affect the financial position or results of operations of the Township.

General liability and excess Worker's Compensation claims currently pending against the Township are handled by the Morris County Joint Insurance Fund.

18. SUBSEQUENT EVENT

The Township of Parsippany-Troy Hills has evaluated subsequent events that occurred after the balance sheet date, but before May 18, 2012. No items were determined to require disclosure.

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER

A-4

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Balance December 31, 2010	A	\$ 8,948,391.01	\$ 312,920.05
Increased by Receipts:			
Collector	A-5	\$ 201,283,073.51	\$ 632,455.84
Investment Account Withdrawals	A-7	13,829,782.35	
Change Fund Returned	A-8	50.00	
Interfunds Receivable	A-15	797,820.76	
Interfunds Payable	A-24	186,201.64	
Township's Matching Funds for Grants	A-30		7,250.00
Contra Items:			
Petty Cash	Contra	250.00	
Revenue Refund	Contra	7,741.53	
Appropriation Refund	Contra	1,164,456.17	
		217,269,375.96	639,705.84
		226,217,766.97	952,625.89
Decreased by Disbursements:			
Prior Year Revenue Refunded	A-1	22,163.64	
Budget Appropriations	A-3	57,648,581.63	
Investment Account Deposits	A-7	15,125,427.76	
Interfunds Receivable	A-15	5.89	
Appropriation Reserves	A-19	2,002,037.29	
Accounts Payable	A-20	24,720.99	
Due to State of New Jersey	A-21	95,159.00	
Tax Overpayments	A-22	680,660.07	
Interfunds Payable	A-24	1,969,829.82	1,823.76
Special District Taxes	A-25	2,727,318.00	
County Taxes	A-26	21,825,190.42	
Local School District Taxes	A-27	117,350,067.50	
Appropriated Reserves for State and Federal Grants	A-30		696,704.22
Contra Items	Contra	1,172,447.70	
		220,643,609.71	698,527.98
Balance December 31, 2011	A,A-6	\$ 5,574,157.26	\$ 254,097.91

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

A-5

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Increased by Receipts:			
Interest and Cost on Taxes	A-2a	\$ 326,033.12	\$
Miscellaneous Revenue Not Anticipated	A-2e	570,836.84	
Due from State of New Jersey per Ch. 129, P.L. 1976	A-9	403,915.18	
Taxes Receivable	A-10	184,339,636.22	
Other Liens Receivable	A-13	1,400.00	
Revenue Accounts Receivable	A-14	14,061,158.43	
State and Federal Grants Receivable	A-18		559,137.46
Due to State of New Jersey	A-21	100,933.00	
Tax Overpayments	A-22	228,843.12	
Prepaid Taxes	A-28	1,091,073.19	
Prepaid Revenue	A-29	104,066.41	
Accumulated Revenue - Unappropriated	A-31	55,178.00	73,318.38
		201,283,073.51	632,455.84
Decreased by Disbursements:			
Turnovers to Treasurer	A-4	201,283,073.51	632,455.84
		\$ -	\$ -

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

BANK RECONCILIATION
DECEMBER 31, 2011 - TREASURER

A-6

Balance per Statement:		
Valley National Bank, Parsippany, New Jersey: #41347943		\$ 4,066,005.60
Hudson City Saving Bank, Parsippany, New Jersey: #6907018578		<u>2,027,582.04</u>
		6,093,587.64
Plus: Deposits-in-Transit	\$ 415,447.78	
NSF Checks Redeposited	<u>2,416.73</u>	
		<u>417,864.51</u>
		6,511,452.15
Less: Outstanding Checks		<u>683,196.98</u>
		<u><u>\$ 5,828,255.17</u></u>
	<u>Reference</u>	<u>Below</u>
	<u>Ref.</u>	
Regular Fund	A-4	\$ 5,574,157.26
State and Federal Grant Fund	A-4	<u>254,097.91</u>
	Above	<u><u>\$ 5,828,255.17</u></u>

TOWNSHIP OF PARSIPPANY - TROY HILLS
CURRENT FUND

CASH - INVESTMENT ACCOUNT

A-7

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 3,280,494.02
Increased by:			
Deposits	A-4	\$ 15,125,427.76	
Accrued Interest	A-14	<u>13,748.82</u>	
			<u>15,139,176.58</u>
			<u>18,419,670.60</u>
Decreased by:			
Withdrawals	A-4		<u>13,829,782.35</u>
Balance December 31, 2011	A		<u><u>\$ 4,589,888.25</u></u>

Bank Reconciliation December 31, 2011

Balance per Statement:			
The Provident Bank,			
ParsIPPany, New Jersey:			
#9812100387			\$ 6,519,658.60
Plus: Due from Bank			<u>12.00</u>
			<u>6,519,670.60</u>
Less: Outstanding Checks			<u>1,929,782.35</u>
			<u><u>\$ 4,589,888.25</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

CHANGE FUNDS

A-8

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 815.00
Decreased by:		
Funds Returned	A-4	<u>50.00</u>
Balance December 31, 2011	A	<u>\$ 765.00</u>
<u>Analysis of Balance</u>		
Tax Collector		\$ 435.00
Municipal Court Clerk		300.00
Police Department		<u>30.00</u>
		<u>\$ 765.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976

A-9

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 61,555.83
Increased by:			
Deductions per Tax Billings:			
Senior Citizens		\$ 92,250.00	
Veterans		<u>322,000.00</u>	
		414,250.00	
Less: Deductions Disallowed by Tax Collector:			
Senior Citizens		<u>1,332.87</u>	
		412,917.13	
Plus: Deductions Allowed by Tax Collector:			
Senior Citizens		\$ 6,500.00	
Veterans		<u>3,250.00</u>	
		9,750.00	
	A-2b,10	<u>422,667.13</u>	
2010 Deductions Allowed by Tax Collector:			
Senior Citizens	A-2b,10	<u>3,250.00</u>	
			<u>425,917.13</u>
			487,472.96
Decreased by:			
Deductions Disallowed by Tax Collector - 2010 Taxes	A-1	14,650.68	
Collections	A-5	<u>403,915.18</u>	
			<u>418,565.86</u>
Balance December 31, 2011	A		<u>\$ 68,907.10</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

TAX TITLE LIENS

A-11

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 100,496.76
Increased by:		
Transfer from Taxes Receivable	A-10	<u>8,835.99</u>
Balance December 31, 2011	A	<u>\$ 109,332.75</u>

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

A-12

	<u>Ref.</u>	
Balance December 31, 2010	A	<u>\$ 1,428,800.00</u>
Balance December 31, 2011	A	<u>\$ 1,428,800.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

OTHER LIENS RECEIVABLE

A-13

	<u>Ref.</u>	<u>Property Maintenance</u>
Balance December 31, 2010	A	\$ 193,906.95
Increased by:		
2011 Liens	Reserve	225.00
		<u>194,131.95</u>
Decreased by:		
Collections	A-1,5	1,400.00
Balance December 31, 2011	A	<u>\$ 192,731.95</u>

Analysis of Balance

	<u>Block</u>	<u>Lot</u>	
	715	15	\$ 191,926.95
	246	12	100.00
	554	23	705.00
			<u>\$ 192,731.95</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-14
Sheet #1

REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2010	2011 Accruals	Collections		Balance Dec. 31, 2011
				2010	2011	
<u>Budget Revenue</u>						
Clerk:						
ABC Licenses	A-2a	\$	\$ 89,190.00	\$	\$ 89,190.00	\$
Bingo and Raffle Licenses	A-2c		7,210.00		7,210.00	
Other Business Licenses	A-2c		70,329.00	63,275.00	7,054.00	
Construction Code Official:						
Fees and Permits	A-2a		1,788,251.25		1,788,251.25	
Engineer:						
Fees and Permits	A-2d		12,275.84		12,275.84	
Collector:						
Tax Searches	A-2d		230.00		230.00	
Health Officer:						
Licenses	A-2c		83,240.00		83,240.00	
Police Department:						
Fees and Permits	A-2d		10,495.50		10,495.50	
Registrar of Vital Statistics:						
Licenses	A-2c		849.00		849.00	
Fees and Permits	A-2d		32,250.00		32,250.00	
Magistrate:						
Fines and Costs	A-2a	57,323.08	600,029.28		622,474.48	34,877.88
Housing Department:						
Fees and Permits	A-2d		176,330.00		176,330.00	
Zoning Board:						
Fees and Permits	A-2d		47,225.62		47,225.62	
Board of Adjustments:						
Fees and Permits	A-2d		10,945.19		10,945.19	
Planning Board:						
Fees and Permits	A-2d		5,875.50		5,875.50	
Fire Prevention:						
Fees and Permits	A-2d		202,709.00		202,709.00	
Recreation Department:						
Fees and Permits	A-2d		359,640.14		359,640.14	
Purchasing Department:						
Fees and Permits	A-2d		10,200.00		10,200.00	
Mayor's Office:						
Fees and Permits	A-2d		1,775.00		1,775.00	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-14
Sheet #2

REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec. 31, 2010	2011 Accruals	Collections		Balance Dec. 31, 2011
				2010	2011	
<u>Budget Revenue</u>						
Public Works Department:						
Fees and Permits	A-2d	\$	\$ 32,430.00	\$	\$ 32,430.00	\$
Treasurer:						
Fees and Permits	A-2d		86,972.00		86,972.00	
Payment in Lieu of Taxes - New Jersey Housing						
Finance Agency - Senior Citizen Apartment	A-2a	1,284.35	143,900.00		145,184.35	
Garbage and Trash Removal Fees	A-2a		1,663,580.66	16,161.96	1,550,530.98	96,887.72
Community Center Revenue - Concession Rents	A-2a		154,375.00	12,360.00	142,015.00	
State of New Jersey:						
Hotel Occupancy Fee	A-2a		1,942,324.76		1,942,324.76	
Consolidated Municipal Property Tax Relief Aid	A-2a		751,183.00		751,183.00	
Energy Receipts Tax	A-2a		3,743,840.00		3,743,840.00	
Uniform Fire Safety Code (Ch. 383, P.L. 1985)	A-2a		105,446.90		105,446.90	
Other:						
Interest on Investments and Deposits	A-2a		77,316.59		77,316.59	
Ambulance Service Billing	A-2a		687,802.59		687,802.59	
Cablevision Franchise Fee	A 2a	236,640.79	251,688.81		236,640.79	251,688.81
Interlocal Municipal Service Agreement:						
Shared Services - Animal Control	A-2a		26,600.00		26,600.00	
Rescue and Recovery Contribution for Capital	A-2a		9,000.00		9,000.00	
Health Insurance Offset	A-2a		427,911.92		427,911.92	
Concert Donations	A-2a		8,000.00		8,000.00	
		<u>295,248.22</u>	<u>13,621,422.55</u>	<u>91,796.96</u>	<u>13,441,419.40</u>	<u>383,454.41</u>
<u>Miscellaneous Revenue Not Anticipated</u>						
Lease Rentals		13,161.78	655,292.80	19,021.87	648,432.71	1,000.00
Payment in Lieu of Taxes:						
Association of Retarded Citizens	A-2e	<u>13,161.78</u>	<u>812.75</u>	<u>19,021.87</u>	<u>812.75</u>	<u>1,000.00</u>
		<u>\$ 308,410.00</u>	<u>\$ 14,277,528.10</u>	<u>\$ 110,818.83</u>	<u>\$ 14,090,664.86</u>	<u>\$ 384,454.41</u>
Reference	A	Reserve	A-29	Sheet #3	A	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-14
Sheet #3

	<u>Ref.</u>	<u>Collections</u> <u>2011</u>
Collections	A-5	\$ 14,061,158.43
Accrued Interest:		
Investment Account	A-7	13,748.82
Interfunds Receivable	A-15	<u>15,757.61</u>
	Sheet #2	<u>\$ 14,090,664.86</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-15

INTERFUNDS RECEIVABLE

Ref.	Total Current Fund	State and Federal Grant Fund	General Trust Fund	Current Fund				Payroll Fund
				General Capital Fund	Sewer Operating Fund	Public Assistance Trust Fund		
A	\$ 2.70	\$	\$	\$	\$	\$ 2.70	\$	
Increased by:								
A-1	1,836.02	1,836.02						
A-2a	14,000.00		14,000.00					
A-2a	35,000.00			35,000.00				
A-2a	22,000.00			22,000.00				
A-2a	700,000.00				700,000.00			
A-2e	12,200.00		12,200.00				289.26	
A-2e	289.26						5.89	
A-4	15,757.61					35.90		
A-14	801,088.78	1,836.02	34,189.78	7,731.93	700,000.00	35.90	289.26	
				64,731.93		35.90	5.89	
				64,731.93	700,000.00	38.60	295.15	
	801,091.48	1,836.02	34,189.78	64,731.93	700,000.00	38.60	295.15	
Decreased by:								
A-1	12.26	12.26						
A-4	797,820.76	1,823.76	31,226.47	64,731.93	700,000.00	38.60		
	797,833.02	1,836.02	31,226.47	64,731.93	700,000.00	38.60		
A	\$ 3,258.46	\$ -	\$ 2,963.31	\$ -	\$ -	\$ -	\$ 295.15	
Analysis of Interfund Charge to Fund Balance								
Ref.								
Above	\$ 801,088.78							
Above	797,833.02							
A-1	\$ 3,255.76							

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

DEFERRED CHARGES

A-16

	<u>Increase</u>	<u>Balance Dec. 31, 2011</u>
Emergency Authorization (N.J.S.A. 40A:4-47)	<u>\$140,000.00</u>	<u>\$140,000.00</u>
<u>Reference</u>	<u>A-3</u>	<u>A</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

DEFERRED CHARGES
N.J.S.A. 40A:4-53 SPECIAL EMERGENCY

A-17

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	1/5 of	<u>Net Amount Authorized</u>	<u>Increase</u>	<u>Budget Appropriation</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2011</u>
5-17-11	Retirement Payouts	\$ 895,944.00		\$ 179,189.00	\$ 895,944.00	\$ 179,189.00	\$	\$ 716,755.00
10-18-11	Flood Damage - Hurricane Irene	<u>750,000.00</u>		<u>150,000.00</u>	<u>1,000,000.00</u>		<u>250,000.00</u>	<u>750,000.00</u>
		<u>\$ 1,645,944.00</u>		<u>\$ 329,189.00</u>	<u>\$ 1,895,944.00</u>	<u>\$ 179,189.00</u>	<u>\$ 250,000.00</u>	<u>\$ 1,466,755.00</u>

Reference

A-3

A-3

A-3

A

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATE AND FEDERAL GRANTS RECEIVABLE

A-18
Sheet #1

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011</u> <u>Grants</u>	<u>Decrease</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Drunk Driving Enforcement Fund	\$	\$ 9,103.08	\$ 9,103.08	\$	\$
Clean Communities Act		84,283.23	84,283.23		
Body Armor Grant		8,542.39	8,542.39		
Pedestrian Safety Education and Enforcement Grant:					
Fiscal Year 2010	9,100.00		8,400.00	700.00	
Fiscal Year 2011		8,000.00			8,000.00
Over the Limit, Under Arrest:					
Fiscal Year 2010	5,000.00		4,500.00	500.00	
Fiscal Year 2011		3,200.00	3,200.00		
Click It or Ticket		4,000.00	3,800.00	200.00	
Drive Sober or Get Pulled Over		5,000.00			5,000.00
Recycling Tonnage Grant		75,891.00	75,891.00		
Juvenile Accountability Incentive Block Grant (JAIBG):					
Fiscal Year 2009	12.22			12.22	
Municipal Alliance:					
2010	28,901.00		18,466.26	10,434.74	
2011		28,901.00	7,945.12		20,955.88
Alcohol Education, Rehabilitation and Enforcement Fund		862.96	862.96		
N.J. Highlands Water Protection and Planning Council:					
Plan Conformance Grant:					
2011		100,000.00	65,924.33		34,075.67
2010 State Health Services Grant:					
Influenza A - H1N1 Virus	3,575.00			3,575.00	
Green Communities Grant:					
2010	105.67			105.67	
N.J. Department of Transportation:					
Union Hill Road		185,898.94	185,898.94		
Safe Route to School Grant		26,900.00	851.86		26,048.14
Highway Safety Fund Grant - "Safe Corridors"		1,349.28			1,349.28
Justice Assistance Grant (JAG):					
2009	201,116.00		198,402.03		2,713.97

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

STATE AND FEDERAL GRANTS RECEIVABLE

A-18
Sheet #2

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011</u> <u>Grants</u>	<u>Decrease</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
U.S. Department of Energy: ARRA - Energy Efficiency and Conservation Block Grant: 2010	\$ 267,800.00	\$	\$ 119,000.00	\$	\$ 148,800.00
County of Morris: Historic Preservation Trust Fund: Bowsby-Degelleke House: 2011		16,000.00	16,000.00		
Other Grants: N.J. Board of Public Utilities : Clean Energy Pay for Performance Program: 2011		33,535.00	33,535.00		
	<u>\$ 515,609.89</u>	<u>\$ 591,466.88</u>	<u>\$ 844,606.20</u>	<u>\$ 15,527.63</u>	<u>\$ 246,942.94</u>

<u>Reference</u>	<u>A</u>	<u>A-2a</u>	<u>Below</u>	<u>Below</u>	<u>A</u>
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Ref.

Collections	A-5	\$ 559,137.46	\$	
Interfunds Payable	A-24			12.26
Appropriated Reserves for State and Federal Grants	A-30			15,515.37
Unappropriated Reserves Applied	A-31	285,468.74		
	<u>Above</u>	<u>\$ 844,606.20</u>	<u>\$ 15,527.63</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-19
Sheet #1

APPROPRIATION RESERVES

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
APPROPRIATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages		\$ 39,521.59	\$ 39,521.59	\$ 10,118.67	\$ 29,402.92
Other Expenses	717.40	1,789.54	2,506.94	1,980.17	526.77
Township Council:					
Salaries and Wages		1.16	1.16		1.16
Other Expenses		3,500.00	3,500.00		3,500.00
Municipal Clerk:					
Salaries and Wages		3,009.44	3,009.44	3,009.44	
Other Expenses	1,061.42	5,205.89	6,267.31	4,460.43	1,806.88
Treasury:					
Salaries and Wages		5,324.19	5,324.19	5,243.27	80.92
Other Expenses	862.04	943.79	1,805.83	862.04	943.79
Audit		6,326.00	6,326.00		6,326.00
Tax Collection:					
Salaries and Wages		7,073.66	7,073.66	2,991.38	4,082.28
Other Expenses	61.00	11,487.05	11,548.05	546.65	11,001.40
Tax Assessing:					
Salaries and Wages		4,646.22	4,646.22	4,646.21	0.01
Other Expenses	6,293.45	8,942.42	15,235.87	8,014.70	7,221.17
Department of Law:					
Other Expenses	9,015.25	53,811.51	62,826.76	41,176.98	21,649.78
Division of Engineering:					
Salaries and Wages		54,918.87	54,918.87	7,205.76	47,713.11
Other Expenses	8,658.74	9,539.95	18,198.69	12,839.09	5,359.60
LAND USE ADMINISTRATION					
Department of Planning:					
Salaries and Wages		750.64	750.64	750.64	
Other Expenses	46,050.00	3,833.89	49,883.89	23,794.42	26,089.47
Board of Adjustment:					
Salaries and Wages		944.16	944.16	944.16	
Other Expenses	1,810.00	9,279.70	11,089.70	2,750.00	8,339.70

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-19
Sheet #2

APPROPRIATION RESERVES

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
APPROPRIATIONS WITHIN "CAPS"					
CODE ENFORCEMENT AND ADMINISTRATION					
Housing and Zoning Code Enforcement:					
Salaries and Wages		\$ 13,357.50	\$ 13,357.50	7,549.82	\$ 5,807.68
Other Expenses	322.78	7,721.79	8,044.57	493.73	7,550.84
INSURANCE					
Liability Insurance		14,961.20	14,961.20		14,961.20
Workers' Compensation		94,751.51	94,751.51	94,751.51	
Employee Health and Group Life	935.00	98,353.17	99,288.17	20,410.27	78,877.90
PUBLIC SAFETY					
Police Department:					
Salaries and Wages		225,076.00	225,076.00	62,852.13	162,223.87
Other Expenses	109,077.88	81,968.73	191,046.61	166,670.51	24,376.10
Office of Emergency Management:					
Salaries and Wages		3,825.04	3,825.04		3,825.04
Other Expenses	6,722.66	512.15	7,234.81	6,626.93	607.88
Fire Prevention Bureau:					
Salaries and Wages		4,469.96	4,469.96	4,469.96	
Other Expenses	648.17	23,951.01	24,599.18	3,702.79	20,896.39
Municipal Court:					
Salaries and Wages		4,348.82	4,348.82	4,348.82	
Other Expenses	2,367.46	3,410.51	5,777.97	2,367.46	3,410.51
Public Defender:					
Other Expenses	150.00	1,225.00	1,375.00	25.00	1,350.00
Prosecutor:					
Other Expenses	19,208.00	5,005.00	24,213.00	21,325.00	2,888.00
PUBLIC WORKS					
Street and Road Maintenance:					
Salaries and Wages		95,903.12	47,903.12	43,035.72	4,867.40
Other Expenses	128,323.30	22,365.09	150,688.39	115,651.18	35,037.21

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-19
Sheet #3

APPROPRIATION RESERVES

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>APPROPRIATIONS WITHIN "CAPS"</u>					
<u>PUBLIC WORKS</u>					
Garbage and Trash Removal:					
Salaries and Wages		\$ 54,349.28	\$ 26,349.28	\$ 25,648.86	\$ 700.42
Other Expenses	9,257.95	99,423.80	108,681.75	108,681.75	
Buildings and Grounds:					
Salaries and Wages		37,854.44	37,854.44	4,660.96	33,193.48
Other Expenses	26,168.79	9,487.74	40,656.53	38,961.90	1,694.63
Vehicle Maintenance:					
Other Expenses	153,103.22	13,029.47	196,132.69	182,032.21	14,100.48
Condominium Cost		295,000.00	295,000.00	251,260.61	43,739.39
<u>HEALTH AND HUMAN SERVICES</u>					
Public Health Services:					
Salaries and Wages		63,554.81	63,554.81	14,401.40	49,153.41
Other Expenses	7,959.99	15,726.48	23,686.47	17,002.42	6,684.05
Senior Citizen Center:					
Salaries and Wages		1,405.89	1,405.89	1,405.89	
Other Expenses	3,022.85	1,942.21	4,965.06	4,854.00	111.06
<u>PARKS AND RECREATION</u>					
Recreation Services:					
Salaries and Wages		62,851.93	62,851.93	4,192.60	58,659.33
Other Expenses	9,510.53	325.40	9,835.93	9,700.03	135.90
Maintenance of Parks:					
Salaries and Wages		90,161.75	90,161.75	27,353.61	62,808.14
Other Expenses	77,278.76	75,001.45	152,280.21	84,652.60	67,627.61
<u>OTHER COMMON OPERATING FUNCTIONS</u>					
Celebration of Public Events		1,821.30	1,821.30		1,821.30
<u>UTILITY EXPENSES</u>					
Electricity	47,415.67	92,014.54	139,430.21	48,744.84	90,685.37
Street Lighting	43,099.53	85,057.03	128,156.56	75,830.60	52,325.96

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-19
Sheet #4

APPROPRIATION RESERVES

	<u>Encumbered</u>	<u>Balance Dec. 31, 2010</u>	<u>Unencumbered</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>UTILITY EXPENSES</u>						
Telephone	\$ 16,949.00	\$ 19,446.92		\$ 36,395.92	\$ 17,031.96	\$ 19,363.96
Gas (Natural or Propane)	17,692.55	36,191.00		53,883.55	27,583.99	26,299.56
Gasoline	50,509.75	57,998.26		73,508.01	62,680.19	10,827.82
<u>SOLID WASTE DISPOSAL COSTS</u>	146,963.31	39,175.29		262,138.60	261,823.11	315.49
<u>UNIFORM CONSTRUCTION CODE</u>						
Department of Buildings and Inspections:						
Salaries and Wages	2,030.93	30,340.99		30,340.99	18,120.19	12,220.80
Other Expenses		25,378.96		27,409.89	19,160.37	8,249.52
<u>CONTINGENT</u>		13,000.00		13,000.00		13,000.00
<u>STATUTORY EXPENDITURES</u>						
Contribution to:						
Social Security System (OASI)		57,454.94		57,454.94	45,257.05	12,197.89
DCRP Pension		3,556.11		3,556.11	589.60	2,966.51
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Contribution to LOSAP		5,500.00		5,500.00		5,500.00
Matching Funds for Supplemental Municipal Alliance Grant		1,250.00		1,250.00		1,250.00
	<u>\$ 953,247.38</u>	<u>\$ 2,220,355.26</u>		<u>\$ 3,173,602.64</u>	<u>\$ 2,037,245.58</u>	<u>\$ 1,136,357.06</u>

Reference

A

Sheet #5

A-1

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATION RESERVES

A-19
Sheet #5

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	A-4	\$ 2,002,037.29
Accounts Payable	A-20	<u>35,208.29</u>
	Sheet #4	<u>\$ 2,037,245.58</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

ACCOUNTS PAYABLE

A-20

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 24,720.99
Increased by:		
Commitments:		
Appropriation Reserves	A-19	<u>35,208.29</u>
		<u>59,929.28</u>
Decreased by:		
Payments	A-4	<u>24,720.99</u>
Balance December 31, 2011	A	<u><u>\$ 35,208.29</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

A-21

DUE TO STATE OF NEW JERSEY

	<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage License Fees</u>	<u>Civil Union License Fees</u>	<u>Burial Permits</u>
Balance December 31, 2010	A	\$ 16,843.00	\$ 15,008.00	\$ 1,825.00	\$	\$ 10.00
Increased by:						
Collections	A-5	100,933.00	93,828.00	7,050.00	25.00	30.00
		<u>117,776.00</u>	<u>108,836.00</u>	<u>8,875.00</u>	<u>25.00</u>	<u>40.00</u>
Decreased by:						
Payments	A-4	95,159.00	90,464.00	4,650.00	25.00	20.00
Balance December 31, 2011	A	<u>\$ 22,617.00</u>	<u>\$ 18,372.00</u>	<u>\$ 4,225.00</u>	<u>\$ -</u>	<u>\$ 20.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

TAX OVERPAYMENTS

A-22

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 219,079.94
Increased by:			
Collections	A-5	\$ 228,843.12	
Prior Year Paid Taxes Cancelled	A-23	<u>505,036.50</u>	
			<u>733,879.62</u>
			<u>952,959.56</u>
Decreased by:			
Cancelled	A-1	42,086.30	
Applied to Taxes Receivable	A-2b,10	78,111.18	
Refunds	A-4	<u>680,660.07</u>	
			<u>800,857.55</u>
Balance December 31, 2011	A		<u>\$ 152,102.01</u>

RESERVE FOR TAX APPEALS

A-23

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 672,357.13
Increased by:			
Reserve Established	A-1	<u>500,000.00</u>	
			<u>1,172,357.13</u>
Decreased by:			
Prior Year Paid Taxes Cancelled	A-22	<u>505,036.50</u>	
Balance December 31, 2011	A		<u>\$ 667,320.63</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

INTERFUNDS PAYABLE

A-24

Ref.	Total Current Fund	Current Fund							State and Federal Grant Fund Current Fund
		Animal Control Trust Fund	General Trust Fund	General Capital Fund	Water Operating Fund	Sewer Operating Fund	Golf and Recreation Operating Fund	Public Assistance Trust Fund	
A	\$ 403,424.16	\$ 51,968.33	\$ 308,158.48	\$ 138.00	\$ 30,361.69	\$ 11,810.18	\$ 987.48	\$ -	
Increased by:									
A-1,2b,10	1,470,551.68		1,470,551.68						
A-3	145,000.00	145,000.00							
A-4	186,201.64			185,898.94		300.00		2.70	
A-30	1,801,753.32	145,000.00	1,470,551.68	185,898.94		300.00		2.70	
	2,295,177.48	196,968.33	1,778,710.16	186,036.94	30,361.69	11,810.18	987.48	1,836.02	
Decreased by:									
A-4	1,969,829.82	147,822.31	1,778,710.16	138.00	30,361.69	11,810.18	987.48	1,823.76	
A-18	1,969,829.82	147,822.31	1,778,710.16	138.00	30,361.69	11,810.18	987.48	12.26	
A	\$ 235,347.66	\$ 49,146.02	\$ -	\$ 185,898.94	\$ -	\$ -	\$ -	\$ -	

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

SPECIAL DISTRICT TAXES

A-25

	<u>Ref.</u>			
Increased by:				
2011 Levy:				
Fire District Taxes	A-10		\$ 2,751,212.23	
2011 Added Assessments		\$ 4,187.54		
2010 Added Assessments		<u>66.41</u>		
	A-10		<u>4,253.95</u>	
	A-1,2b			\$ 2,755,466.18
Decreased by:				
Cancelled	A-1		28,148.18	
Payments	A-4		<u>2,727,318.00</u>	
				<u>2,755,466.18</u>
				<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

COUNTY TAXES

A-26

	<u>Ref.</u>		
Balance December 31, 2010	A		\$ 38,805.76
Increased by:			
2011 Levy:			
General County		\$ 20,178,313.83	
Open Space Preservation		1,608,070.83	
	A-10	<u>21,786,384.66</u>	
2011 Added Assessments		\$ 28,932.47	
2010 Added Assessments		<u>357.42</u>	
	A-10	<u>29,289.89</u>	
	A-1,2b		<u>21,815,674.55</u>
			<u>21,854,480.31</u>
Decreased by:			
Payments	A-4		<u>21,825,190.42</u>
Balance December 31, 2011	A		<u>\$ 29,289.89</u>

LOCAL SCHOOL DISTRICT TAXES

A-27

	<u>Ref.</u>	
Increased by:		
Levy - Calendar Year	A-1,2b,10	\$ 117,350,067.50
Decreased by:		
Payments	A-4	<u>117,350,067.50</u>
		<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

PREPAID TAXES

A-28

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 1,413,162.47
Increased by:		
Collections	A-5	<u>1,091,073.19</u>
		2,504,235.66
Decreased by:		
Applied to Taxes Receivable	A-2b,10	<u>1,413,162.47</u>
Balance December 31, 2011	A	<u>\$ 1,091,073.19</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

PREPAID REVENUE

A-29

	<u>Ref.</u>	
Balance December 31, 2010	A	\$ 110,818.83
Increased by:		
Collections	A-5	104,066.41
		<u>214,885.24</u>
Decreased by:		
Applied to Revenue	A-14	110,818.83
		<u>110,818.83</u>
Balance December 31, 2011	A	<u><u>\$ 104,066.41</u></u>

Analysis of Prepaid Revenue

Licenses - Clerk:

Amusement and Game Licenses	\$ 3,650.00
Motel Licenses	48,140.00
Sales Licenses	1,900.00
Taxi and Limousine Licenses	2,685.00
Entertainment Licenses	3,000.00
Miscellaneous Revenue Not Anticipated:	
Lease Rentals	<u>44,691.41</u>
	<u><u>\$ 104,066.41</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-30
Sheet #1

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011</u> <u>Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Drunk Driving Enforcement Fund:					
Fiscal Year 2008	\$ 3,642.79	\$	\$ 3,642.79	\$	\$
Fiscal Year 2010	8,507.66		3,557.21		4,950.45
Fiscal Year 2011		9,103.08	4,800.00		4,303.08
Clean Communities Act:					
Fiscal Year 2010	24,090.05		24,090.05		
Fiscal Year 2011		84,283.23	76,116.26		8,166.97
Hazardous Discharge Site Remediation Grant - 1996	3,940.00				3,940.00
Tobacco Age-of-Sale Enforcement (TASE) Grant:					
Fiscal Year 2005	1,408.70				1,408.70
Fiscal Year 2007	3,720.00		2,621.00		1,099.00
Fiscal Year 2008	2,280.00		1,522.48		757.52
Fiscal Year 2009	2,280.00		1,495.68		784.32
Body Armor Fund:					
Fiscal Year 2009	2,597.66		2,597.66		
Fiscal Year 2010	3,063.88		3,063.88		
Fiscal Year 2011		8,542.39	3,462.66		5,079.73
Pedestrian Safety Education and Enforcement Grant:					
Fiscal Year 2010	9,100.00		8,400.00	700.00	
Fiscal Year 2011		8,000.00			8,000.00
Over the Limit, Under Arrest:					
Fiscal Year 2010	3,500.00		3,000.00	500.00	
Fiscal Year 2011		3,200.00	3,200.00		
Click It or Ticket		4,000.00	3,800.00	200.00	
Hang Up Just Drive:					
Fiscal Year 2010	4,000.00		800.00		3,200.00
Drive Sober or Get Pulled Over:					
Fiscal Year 2011		5,000.00			5,000.00
Recycling Tonnage Grant:					
Fiscal Year 2005	1,108.00				1,108.00
Fiscal Year 2006	288.00				288.00
Fiscal Year 2009	12,759.12		12,759.12		
Fiscal Year 2010	62,600.38		49,018.94		13,581.44
Fiscal Year 2011		75,891.00			75,891.00
Enhanced 911 Grant:					
Fiscal Year 2006	2,279.00				2,279.00
State of N.J. Emergency Management Assistance:					
2010	5,000.00		4,132.00		868.00
Municipal Alliance:					
2010	25,471.05		13,294.62	12,176.43	
2011		36,151.00	11,169.99		24,981.01
Alcohol Education, Rehabilitation and Enforcement Fund:					
2009	714.29		714.29		
2011		862.96			862.96

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-30
Sheet #2

	<u>Balance</u>	<u>2011</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u>
	<u>Dec. 31, 2010</u>	<u>Budget</u>			<u>Dec. 31, 2011</u>
		<u>Appropriations</u>			
Local Law Enforcement Block Grant:					
Fiscal Year 2004	\$ 253.87	\$	\$	\$	\$ 253.87
Juvenile Accountability Incentive Block Grant (JAIBG):					
Leadership Program:					
Fiscal Year 2009	0.76		0.76		
Fiscal Year 2010	2,693.98				2,693.98
N.J. Highlands Water Protection and Planning Council:					
Initial Assessment Grant:					
2009	15,000.00		15,000.00		
2010	5,224.46		5,224.46		
Plan Conformance Grant:					
2011		100,000.00	64,723.43		35,276.57
2010 State Health Services Grant:					
Influenza A - H1N1 Virus	3,574.96			3,574.96	
Green Communities Grant:					
2010	200.00			200.00	
N.J. Department of Transportation:					
Union Hill Road		185,898.94	185,898.94		
Safe Route to School Grant		26,900.00	851.86		26,048.14
Highway Safety Fund Grant - "Safe Corridors"		1,349.28			1,349.28
Justice Assistance Grant (JAG):					
2009	3,038.97		325.00		2,713.97
U.S. Department of Energy:					
ARRA - Energy Efficiency and Conservation Block Grant:					
2010	319,012.00		187,421.14		131,590.86
Municipal Storm Water Regulation Program:					
2010	10,310.00				10,310.00
County of Morris:					
Historic Preservation Trust Fund - Bowsby-Degelleke House:					
Fiscal Year 2011		16,000.00			16,000.00
Other Grants:					
Donation for Civil Defense - Radiation Detection	1,401.62				1,401.62
N.J. Board of Public Utilities: Clean Energy Pay for Performance Program:					
2011		33,535.00			33,535.00
	<u>\$ 543,061.20</u>	<u>\$ 598,716.88</u>	<u>\$ 696,704.22</u>	<u>\$ 17,351.39</u>	<u>\$ 427,722.47</u>

Reference

A

Sheet #3

A-4

Sheet #3

A

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS

A-30
Sheet #3

	<u>Ref.</u>	<u>2011 Budget Appropriations</u>	<u>Cancelled</u>
2011 Budget Appropriation:			
2011 Grants	A-3	\$ 591,466.88	\$
Local Share	A-3,4	7,250.00	
State and Federal Grants			
Receivable	A-18		15,515.37
Interfunds Payable	A-24	<hr/>	<hr/> 1,836.02
	Sheet #2	<hr/> <u>\$ 598,716.88</u>	<hr/> <u>\$ 17,351.39</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
CURRENT FUND

ACCUMULATED REVENUE - UNAPPROPRIATED

A-31

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Decrease</u> <u>Anticipated as</u> <u>Current Fund</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Regular Fund:				
Watershed Moratorium Offset Aid	\$ 55,178.00	\$ 55,178.00	\$ 55,178.00	\$ 55,178.00
State and Federal Grant Fund:				
Recycling Tonnage Grant		59,638.46		59,638.46
Drunk Driving Enforcement Fund	9,103.08		9,103.08	
N.J. Highlands Water Protection and Planning Council:				
Regional Master Plan	65,924.33		65,924.33	
Body Armor Grant	8,542.39	8,679.92	8,542.39	8,679.92
Transportation Trust Fund:				
Union Hill Road	185,898.94		185,898.94	
Emergency Management Assistance		5,000.00		5,000.00
County of Morris:				
Historic Preservation Trust Fund - Bowlsby-Degelleke House	16,000.00		16,000.00	
	<u>285,468.74</u>	<u>73,318.38</u>	<u>285,468.74</u>	<u>73,318.38</u>
	<u>\$ 340,646.74</u>	<u>\$ 128,496.38</u>	<u>\$ 340,646.74</u>	<u>\$ 128,496.38</u>
<u>Reference</u>	<u>A</u>	<u>Below</u>	<u>A-2a.18</u>	<u>A</u>
	<u>Ref.</u>			
Collections:				
Regular Fund	A-5	\$ 55,178.00		
State and Federal Grant Fund	A-5	<u>73,318.38</u>		
	Above	<u>\$ 128,496.38</u>		

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS

B-1

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Balance December 31, 2010	B	\$	\$ 11,473,761.63	\$
Increased by Receipts:				
Investment Account Withdrawals	B-4	\$	\$ 114,175.73	\$
Federal Grants Receivable	B-7			293,330.55
Due from Municipal Court	B-8	3,810.75	22,090.00	
Other Accounts Receivable	B-9		556,528.00	
Interfunds Receivable	B-10	147,822.31	1,778,710.16	
Prepaid Licenses	B-11	5,533.80		
Due to State of New Jersey	B-12	3,771.00		
Special Deposits	B-13		878,084.54	
Premiums on Tax Sale	B-14		209,100.00	
Municipal Open Space Preservation Trust Fund	B-16		8,709.23	
Interfunds Payable	B-17		6,950.42	
Reserve for Contributions	B-19	1,678.70		
Dog License Fees	B-20	27,172.20		
Miscellaneous Revenue	B-20	15,699.89		
Reserve for Unemployment Insurance				
Trust Fund Expenditures:				
Township Contributions	B-21		171,009.61	
Payroll Deductions	B-21		136,829.84	
		<u>205,488.65</u>	<u>3,882,187.53</u>	<u>293,330.55</u>
		205,488.65	15,355,949.16	293,330.55
Decreased by Disbursements:				
Disbursements per Schedule	B-2	<u>205,488.65</u>	<u>3,870,368.56</u>	<u>293,330.55</u>
Balance December 31, 2011	B	\$	<u>\$ 11,485,580.60</u>	\$

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DISBURSEMENTS

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Investment Account Deposits	B-4	\$	\$ 29,279.25	\$
Interfunds Receivable	B-10		25.40	
Due to State of New Jersey	B-12	4,174.20		
Special Deposits	B-13		1,841,602.69	
Premiums on Tax Sale	B-14		196,400.00	
Municipal Open Space Preservation Trust Fund	B-16		1,483,143.35	
Interfunds Payable	B-17		31,226.47	
Reserve for Animal Control Trust Fund Expenditures	B-20	201,314.45		
Reserve for Unemployment Insurance Trust Fund Expenditures	B-21		288,691.40	
Reserve for Grant Trust Fund Expenditures	B-22			<u>293,330.55</u>
	B-1	<u>\$205,488.65</u>	<u>\$3,870,368.56</u>	<u>\$293,330.55</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CASH RECONCILIATIONS
DECEMBER 31, 2011

B-3

	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>
Balance per Certifications:		
The Provident Bank,		
Parsippany, New Jersey:		
#9812100783	\$ 4,789,712.71	\$
Valley National Bank:		
Parsippany, New Jersey:		
#41321480	5,480,537.70	
#41321472	1,369,028.34	
#41347188	69,437.86	
#41347196	72,415.72	
#41347153		<u>2,038.75</u>
	<u>11,781,132.33</u>	<u>2,038.75</u>
Less: Outstanding Checks	<u>295,551.73</u>	<u>2,038.75</u>
	<u>\$11,485,580.60</u>	<u>\$ -</u>
<u>Reference</u>	<u>B-1</u>	<u>B-1</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CASH
INVESTMENT ACCOUNT

B-4

		General Trust Fund			Forfeited Assets Account
Ref.	Total	Trust Accounts	Security Deposits		
Balance December 31, 2010	\$ 1,470,442.31	\$ 1,442,070.63	\$ 12,071.97	\$ 16,299.71	
Increased by:					
Deposits	29,279.25	29,279.25			
Accrued Interest:					
Special Deposits	1,777.14	1,742.36		34.78	
Security Deposits	17.54		17.54		
Interfunds Payable	1,039.36	1,039.36			
	1,502,555.60	1,474,131.60	12,089.51	16,334.49	
Decreased by:					
Withdrawals	114,175.73	111,164.27		3,011.46	
Balance December 31, 2011	\$ 1,388,379.87	\$ 1,362,967.33	\$ 12,089.51	\$ 13,323.03	
 <u>Bank Reconciliation December 31, 2011</u>					
Balance per Statement:					
TD Bank,					
Parsippany, New Jersey:					
	\$ 1,362,967.33	\$ 1,362,967.33		\$	
#0011743	12,089.51		12,089.51		
#0011743004	75.00	75.00			
#7200156047	13,323.03			13,323.03	
#7200156056	1,388,454.87	1,363,042.33	12,089.51	13,323.03	
Less: Outstanding Checks	75.00	75.00			
	\$ 1,388,379.87	\$ 1,362,967.33	\$ 12,089.51	\$ 13,323.03	

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

CHANGE FUND

B-5

	<u>Ref.</u>	
Balance December 31, 2010	B	<u>\$ 50.00</u>
Balance December 31, 2011	B	<u>\$ 50.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

ASSETS IN THE HANDS OF PLAN ADMINISTRATOR
WORKERS' COMPENSATION PLAN

B-6

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 48,130.48
Increased by:		
Advances from Township	B-18	<u>1,113,447.01</u>
		1,161,577.49
Decreased by:		
Payment of Claims	B-18	<u>1,105,221.37</u>
Balance December 31, 2011	B	<u>\$ 56,356.12</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

FEDERAL GRANTS RECEIVABLE

B-7

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
<u>Housing and Community Development</u>				
<u>Block Grant</u>				
Housing Rehabilitation:				
2009	\$ 49,387.16	\$	\$ 49,387.16	\$
2010	110,960.00		85,363.98	25,596.02
2011		97,563.00		97,563.00
Program Administration:				
2010	9,270.89		9,270.89	
2011		47,000.00	33,507.11	13,492.89
Removal of Handicapped Accessible Barriers for Municipally-Owned Facilities:				
Phase VI	1,217.56		1,217.56	
Littleton School House Historic Preservation:				
Phase V - 2004	4,749.50		4,749.50	
Baldwin Museum Restoration/Rehabilitation:				
2011		10,000.00		10,000.00
Park Improvements:				
2011		10,000.00		10,000.00
Sidewalk Improvements:				
2009	21.41		21.41	
Vehicle Purchases for Seniors and Handicapped:				
2011		30,000.00		30,000.00
Curbing, Drainage and Paving Improvements on Ronald Road, Ridgewood Avenue and Oak Lane:				
2010	105,000.00		105,000.00	
Curbing, Drainage and Paving Improvements on Manito Avenue, Pawnee Avenue and Portion of Carlson Place:				
2011		60,000.00		60,000.00
ADA Accessible Improvements to Various Township Facilities:				
2010	25,000.00		4,562.44	20,437.56
Littleton Schoolhouse on Route 202 Restorations and Rehabilitation:				
2010	13,200.00		250.50	12,949.50
	<u>\$318,806.52</u>	<u>\$254,563.00</u>	<u>\$293,330.55</u>	<u>\$280,038.97</u>

Reference

B

B-22

B-1

B

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DUE FROM MUNICIPAL COURT

B-8

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>
Balance December 31, 2010	B	<u>\$ 200.00</u>	<u>\$ 589.50</u>
Increased by:			
Parking Offenses Adjudication Act	B-13		450.00
Public Defender Fees	B-13		22,368.50
Municipal Court Fines	B-20	<u>3,885.75</u>	
		<u>3,885.75</u>	<u>22,818.50</u>
		4,085.75	23,408.00
Decreased by:			
Collections	B-1	<u>3,810.75</u>	<u>22,090.00</u>
Balance December 31, 2011	B	<u><u>\$ 275.00</u></u>	<u><u>\$ 1,318.00</u></u>

OTHER ACCOUNTS RECEIVABLE

B-9

	<u>Ref.</u>	
Balance December 31, 2010	B	\$117,320.00
Increased by:		
2011 Accruals	B-13	<u>511,524.00</u>
		628,844.00
Decreased by:		
Collections	B-1	<u>556,528.00</u>
Balance December 31, 2011	B	<u><u>\$ 72,316.00</u></u>
<u>Analysis of Balance</u>		
Outside Employment of Off-Duty Police Officers		<u><u>\$ 72,316.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

B-10

INTERFUNDS RECEIVABLE

<u>Ref.</u>	<u>Animal Control Trust Fund Current Fund</u>	<u>Total General Trust Fund</u>	<u>General Trust Fund</u>	
			<u>Current Fund</u>	<u>Payroll Fund</u>
Balance December 31, 2010	<u>\$ 51,968.33</u>	<u>\$ 308,158.48</u>	<u>\$ 308,158.48</u>	<u>\$</u>
Increased by:				
Advances		25.40		25.40
Open Space Tax	145,000.00	1,470,551.68	1,470,551.68	
Municipal Budget Appropriations	<u>145,000.00</u>	<u>1,470,577.08</u>	<u>1,470,551.68</u>	<u>25.40</u>
	196,968.33	1,778,735.56	1,778,710.16	25.40
Decreased by:				
Settlements	<u>147,822.31</u>	<u>1,778,710.16</u>	<u>1,778,710.16</u>	
Balance December 31, 2011	<u>\$ 49,146.02</u>	<u>\$ 25.40</u>	<u>\$ -</u>	<u>\$ 25.40</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREPAID LICENSES

B-11

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>
Balance December 31, 2010	B	\$ 9,218.40
Increased by:		
Dog License Fees:		
Collections	B-1	5,533.80
		<u>14,752.20</u>
Decreased by:		
Applied to Revenue:		
Dog License Fees	B-20	9,218.40
		<u>9,218.40</u>
Balance December 31, 2011	B	<u><u>\$ 5,533.80</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

DUE TO STATE OF NEW JERSEY

B-12

	<u>Ref.</u>	<u>Dog License Fees</u>			
		<u>Total</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Balance December 31, 2010	B	<u>\$ 974.40</u>	\$	<u>\$ 969.60</u>	<u>\$ 4.80</u>
Increased by:					
Registration Fees		2,370.00	401.00	1,969.00	
Pilot Clinic Fund		474.00	80.20	393.80	
Animal Population Control Fund		<u>927.00</u>	<u>90.00</u>	<u>837.00</u>	
	B-1	<u>3,771.00</u>	<u>571.20</u>	<u>3,199.80</u>	<u> </u>
		4,745.40	571.20	4,169.40	4.80
Decreased by:					
Payments	B-2	<u>4,174.20</u>	<u> </u>	<u>4,169.40</u>	<u>4.80</u>
Balance December 31, 2011	B	<u><u>\$ 571.20</u></u>	<u><u>\$ 571.20</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

SPECIAL DEPOSITS

B-13

	Balance Dec. 31, 2010	Increase	Decrease	Balance Dec. 31, 2011
Developers' Deposits	\$ 1,682,706.86	\$ 24,575.86	\$ 95,903.30	\$ 1,611,379.42
Road Opening Deposits	138,340.00	42,000.00	45,900.00	134,440.00
Dedicated Fire Penalty	23,260.00	26,917.00	26,687.50	23,489.50
Parking Offenses Adjudication Act of 1985	3,063.45	450.00		3,513.45
Public Defender Fees	16,226.00	22,368.50	18,378.73	20,215.77
Planning and Zoning	261,581.27	207,105.92	232,828.21	235,858.98
Uniform Fire Safety	14,338.88	39,890.00	21,428.13	32,800.75
Forfeited Assets - Law Enforcement	16,299.71	34.78	3,011.46	13,323.03
Outside Employment of Police	23,290.25	511,524.00	519,980.00	14,834.25
Mandatory Developers' Fees	4,249,411.76	84,027.04	459,884.32	3,873,554.48
Mandatory Developers' Fees - Commercial	845,271.41	68,151.01		913,422.42
Federal Forfeiture Fund	100,821.26	38,046.77	82,487.74	56,380.29
Redemption of Liens		349,113.30	349,113.30	
Municipal Alliance Committee - Program Income	<u>904.10</u>			<u>904.10</u>
	<u>\$ 7,375,514.95</u>	<u>\$ 1,414,204.18</u>	<u>\$ 1,855,602.69</u>	<u>\$ 6,934,116.44</u>

Reference

B

Below

Below

B

Ref.

Collections	B-1	\$ 878,084.54	\$	
Cash Disbursed	B-2		1,841,602.69	
Investment Account:				
Accrued Interest	B-4	1,777.14		
Due from Municipal Court	B-8	22,818.50		
Other Accounts Receivable	B-9	511,524.00		
Interfunds Payable	B-17		14,000.00	
	Above	<u>\$ 1,414,204.18</u>	<u>\$ 1,855,602.69</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREMIUMS ON TAX SALE

B-14
Sheet #1

	<u>Ref.</u>		<u>General Trust Fund</u>
Balance December 31, 2010	B		\$ 364,600.00
Increased by:			
Collections	B-1		209,100.00
			<u>573,700.00</u>
Decreased by:			
Payments	B-2	\$ 196,400.00	
Cancelled	B-17	<u>12,200.00</u>	
			<u>208,600.00</u>
Balance December 31, 2011	B		<u>\$ 365,100.00</u>

Analysis of Balance

<u>Certificate Number</u>	<u>Date</u>	<u>Purchasers</u>	<u>Amount</u>
5476	6-14-07	Phoenix	\$ 9,500.00
5486	6-14-07	Moradi	1,100.00
5493	10-16-08	Plymouth Park	2,000.00
5505	10-16-08	Plymouth Park	14,000.00
5509	10-16-08	CCTS Capital	10,500.00
5514	10-16-08	Plymouth Park	66,000.00
5517	10-16-08	Plymouth Park	11,000.00
5526	6-18-09	Royal Tax	10,100.00
5528	6-18-09	Park Finance	11,100.00
5530	6-18-09	Plymouth Park	1,700.00
5537	6-18-09	Royal Tax	13,000.00
5539	6-18-09	Park Finance	7,900.00
5541	6-18-09	Royal Tax Lien	8,900.00
5543	6-18-09	Plymouth Park	3,500.00
5544	6-18-09	Royal Tax Lien	3,600.00
5550	6-18-09	Royal Tax	29,100.00
5552	6-17-10	Tower Lien LLC	3,600.00
5553	6-17-10	Tower Lien LLC	300.00
5561	6-17-10	Tower Lien LLC	4,100.00
5566	6-17-10	Royal Tax Lien	7,100.00
5569	6-17-10	Jonathan Katz	3,600.00
5572	6-17-10	Jonathan Katz	6,400.00
5576	6-17-10	Royal Tax Lien	10,000.00
5578	6-17-10	Jonathan Katz	6,500.00
5582	6-16-11	Tower DBW	3,400.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

PREMIUMS ON TAX SALE

B-14
Sheet #2

Analysis of Balance

<u>Certificate Number</u>	<u>Date</u>	<u>Purchasers</u>	<u>Amount</u>
5584	6-16-11	Tower DBW	\$ 6,800.00
5589	6-16-11	Pro Capital I	6,100.00
5590	6-16-11	Tower DBW	4,300.00
5591	6-16-11	Pro Capital I	7,900.00
5593	6-16-11	Tower DBW	7,600.00
5594	6-16-11	Tower DBW	10,300.00
5596	6-16-11	Pro Capital I	3,200.00
5597	6-16-11	Pro Capital I	5,100.00
5599	6-16-11	Pro Capital I	3,300.00
5605	6-16-11	Sass Muni VI DTR	14,000.00
5606	6-16-11	Tower DBW	10,800.00
5607	6-16-11	Sass Muni VI DTR	11,700.00
5608	6-16-11	CCTS Capital	13,000.00
5609	6-16-11	Sass Muni VI DTR	13,000.00
			<u>\$ 365,100.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

SECURITY DEPOSITS

B-15

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>
Balance December 31, 2010	B	\$ 225.00	\$12,071.97
Increased by:			
Accrued Interest	B-4	<u> </u>	<u> 17.54</u>
Balance December 31, 2011	B	<u>\$ 225.00</u>	<u>\$12,089.51</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND

B-16

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 5,496,054.67
Increased by:			
Interest on Investments	B-1	\$ 8,709.23	
Municipal Open Space Tax	B-10	<u>1,470,551.68</u>	
			<u>1,479,260.91</u>
			6,975,315.58
Decreased by:			
Loan Repayment:			
Principal		120,509.95	
Interest		14,084.45	
Other Expenditures		<u>1,348,548.95</u>	
	B-2		<u>1,483,143.35</u>
Balance December 31, 2011	B		<u>\$ 5,492,172.23</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

INTERFUNDS PAYABLE

B-17

	<u>Ref.</u>	<u>General Trust Fund Current Fund</u>
Increased by:		
Interest on Investments:		
Checking Account	B-1	\$ 6,950.42
Investment Account	B-4	1,039.36
Uniform Fire Penalties Anticipated as Revenue in Current Fund Budget	B-13	14,000.00
Premium on Tax Sale Cancelled	B-14	<u>12,200.00</u>
		<u>34,189.78</u>
Decreased by:		
Settlements	B-2	<u>31,226.47</u>
Balance December 31, 2011	B	<u><u>\$ 2,963.31</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR WORKERS' COMPENSATION

B-18

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 48,130.48
Increased by:		
Advances from Township	B-6	<u>1,113,447.01</u>
		1,161,577.49
Decreased by:		
Payment of Claims	B-6	<u>1,105,221.37</u>
Balance December 31, 2011	B	<u><u>\$ 56,356.12</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR CONTRIBUTIONS

B-19

	<u>Ref.</u>	
Balance December 31, 2010	B	\$ 9,525.92
Increased by:		
Collections	B-1	<u>1,678.70</u>
Balance December 31, 2011	B	<u><u>\$ 11,204.62</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

B-20

	<u>Ref.</u>		
Balance December 31, 2010	B		\$ 32,274.61
Increased by:			
Dog License Fees:			
Collections	B-1	\$ 27,172.20	
Prepaid Licenses Applied	B-11	9,218.40	
		36,390.60	
Budget Appropriations	B-10	145,000.00	
Miscellaneous Revenue:			
Impounding Fees		\$ 7,450.00	
Animal Adoption Fees		5,095.00	
Late Fees		1,680.00	
Dog Park		840.00	
Replacement Fees		24.00	
Miscellaneous		610.89	
	B-1	15,699.89	
Municipal Court Fines	B-8	3,885.75	
		19,585.64	
			200,976.24
			233,250.85
Decreased by:			
Expenditures Under R.S. 4:19-15.11:			
Cash Disbursed	B-2		201,314.45
Balance December 31, 2011	B		\$ 31,936.40

License Fees Collected

<u>Year</u>	<u>Number of Licenses</u>	
2010	2,767	\$ 26,077.60
2009	2,657	23,381.60
		\$ 49,459.20
Maximum Reserve		

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR UNEMPLOYMENT INSURANCE TRUST FUND EXPENDITURES

B-21

	<u>Ref.</u>		
Balance December 31, 2010	B		\$122,030.33
Increased by:			
Township Contributions	B-1	\$171,009.61	
Payroll Deductions:			
Collections	B-1	<u>136,829.84</u>	
			<u>307,839.45</u>
			429,869.78
Decreased by:			
Payment of Claims and Payroll			
Deductions	B-2		<u>288,691.40</u>
Balance December 31, 2011	B		<u><u>\$141,178.38</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
TRUST FUNDS

RESERVE FOR GRANT TRUST FUND EXPENDITURES

B-22

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
<u>Housing and Community Development</u>				
<u>Block Grant</u>				
<u>Housing Rehabilitation:</u>				
2009	\$ 49,387.16	\$	\$ 49,387.16	\$
2010	110,960.00		85,363.98	25,596.02
2011		97,563.00		97,563.00
<u>Program Administration:</u>				
2010	9,270.89		9,270.89	
2011		47,000.00	33,507.11	13,492.89
<u>Removal of Handicapped Accessible</u>				
<u>Barriers for Municipally-Owned Facilities:</u>				
Phase VI - 2005	1,217.56		1,217.56	
<u>Littleton Schoolhouse Historic Preservation:</u>				
Phase V - 2004	4,749.50		4,749.50	
<u>Baldwin Museum Restoration/Rehabilitation:</u>				
2011		10,000.00		10,000.00
<u>Sidewalk Improvements:</u>				
2009	21.41		21.41	
<u>Park Improvements:</u>				
2011		10,000.00		10,000.00
<u>Vehicle Purchases for Seniors and</u>				
<u>Handicapped:</u>				
2011		30,000.00		30,000.00
<u>Curbing, Drainage and Paving Improvements</u>				
<u>on Ronald Road, Ridgewood Avenue and</u>				
<u>Oak Lane:</u>				
2010	105,000.00		105,000.00	
<u>Curbing, Drainage and Paving Improvements</u>				
<u>on Manito Avenue, Pawnee Avenue and</u>				
<u>Portion of Carlson Place:</u>				
2011		60,000.00		60,000.00
<u>ADA Accessible Improvements to Various</u>				
<u>Township Facilities:</u>				
2010	25,000.00		4,562.44	20,437.56
<u>Littleton Schoolhouse on Route 202</u>				
<u>Restorations and Rehabilitation:</u>				
2010	13,200.00		250.50	12,949.50
	<u>\$318,806.52</u>	<u>\$254,563.00</u>	<u>\$293,330.55</u>	<u>\$280,038.97</u>
<u>Reference</u>	<u>B</u>	<u>B-7</u>	<u>B-2</u>	<u>B</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

C-2

	<u>Ref.</u>		
Balance December 31, 2010	C		\$ 6,107,500.95
Increased by Receipts:			
Grants Receivable	C-4	\$ 443,466.60	
Interfunds Receivable	C-5	138.00	
Capital Improvement Fund	C-9	281,640.00	
Interfunds Payable	C-11	<u>7,731.93</u>	
			<u>732,976.53</u>
			<u>6,840,477.48</u>
Decreased by Disbursements:			
Interfunds Receivable	C-5	185,898.94	
Improvement Authorizations	C-8	3,292,218.03	
Interfunds Payable	C-11	<u>64,731.93</u>	
			<u>3,542,848.90</u>
Balance December 31, 2011	C		<u><u>\$ 3,297,628.58</u></u>
<u>Bank Reconciliation December 31, 2011</u>			
Balance per Statement:			
Valley National Bank, Parsippany, New Jersey: #41321464			\$ 3,297,108.00
Plus: Deposit-in-Transit			<u>520.70</u>
			3,297,628.70
Less: Outstanding Checks			<u>0.12</u>
			<u><u>\$ 3,297,628.58</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #1

	Balance Dec. 31, 2010	Receipts		Disbursements			Transfers		Balance Dec. 31, 2011
		Other		Improvement Authorizations	Other	From	To		
<u>Improvement Authorizations</u>									
General Improvements:									
#94-27d	\$ 64,732.12								\$ 64,732.12
#96-34b	149,301.07								149,301.07
#99-24c	138,276.85								138,276.85
#01-16a,02-09	9,919.06			10,051.86					(132.80)
#02-11,03-29,05-02	333.40			333.40					
#02-23d	186,095.58			181,831.87					4,263.71
#03-14c	2,204.09								2,204.09
#03-14f	1,375.00								1,375.00
#04-23b	30,000.00								30,000.00
#04-23c	6,180.00								6,180.00
#04-23f	100,897.05								100,897.05
#04-23h	10,818.56								10,818.56
#05-07c	868.07								868.07
#05-07f	229,366.45			58,423.64					170,942.81
#06-08b	20,283.90			5,684.27					14,599.63
#06-08c	35,132.45								35,132.45
#06-08e	37,847.99								37,847.99
#06-08f	50,000.00								50,000.00
#06-08g	542,025.19			114,619.48					427,405.71
#07-18b	3,278.38			3,278.38					
#07-18c	20,284.60								20,284.60
#07-18f	550,047.53			434,881.26					115,166.27
#07-18g	(21,073.25)			10,898.50					(31,971.75)
#08-13c	69,894.78			107,394.78					(37,500.00)
#08-13e	58,640.95			5,048.25					53,592.70
#08-13f	1,182,653.58			545,135.28					637,518.30
#08-13g	7,500.00			36,068.42					(28,568.42)
#08-13h	(2,802.50)								(2,802.50)
#08-13j	3,000.00								3,000.00
#09-24a	210,894.97			48,846.24					162,048.73
#09-24b	39,951.94			13,155.00					26,796.94
#09-24c	6,901.96			137,614.04					(130,712.08)

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #2

	Balance Dec. 31, 2010	Receipts		Disbursements			Transfers		Balance Dec. 31, 2011
		Other		Improvement Authorizations	Other	From	To		
<u>Improvement Authorizations</u>									
General Improvements:									
#09-24d	\$ 3,000.00	\$	\$	\$				\$	3,000.00
#09-24e	1,571,356.57			574,509.07					996,847.50
#09-24f	(61,312.89)			6,948.43					126,738.68
#09-24g	15,000.00						195,000.00		15,000.00
#09-24h	11,250.00								11,250.00
#10-12	3,381.00			3,381.00					175,038.07
#10-13a	195,314.97			20,276.90					129,500.00
#10-13b	146,500.00			17,000.00					676.84
#10-13c	10,000.00			9,323.16					(735,265.69)
#10-13d	(5,500.10)			917,265.59			187,500.00		61,900.00
#10-13e	62,500.00			600.00					29,366.00
#11-07a				9,224.00					9,500.00
#11-07b									10,000.00
#11-07c									203,250.00
#11-07d				20,425.21					17,500.00
#11-07e									1,300.00
#11-07f									1,500.00
#11-07g									
<u>Other Accounts</u>									
Fund Balance	35,593.97								593.97
Capital Improvement Fund	5,357.00		281,640.00				35,000.00		5,357.00
Grants Receivable			443,466.60				281,640.00		
Deposit for Regional							443,466.60		
Contribution Agreement	261,420.19								261,420.19
Reserve for Debt Service	29,295.79								68,262.39
Reserve for Developer							22,000.00		
Contributions - Road	79,652.68								79,652.68
Improvement	(138.00)		7,869.93		250,630.87				(185,898.94)
Current Fund Interfund									
	\$ 6,107,500.95		\$ 732,976.53	\$ 3,292,218.03	\$ 250,630.87		\$ 782,106.60	\$ 782,106.60	\$ 3,297,628.58

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

C-3
Sheet #3

	<u>Ref.</u>	<u>Receipts</u> <u>Other</u>	<u>Disbursements</u> <u>Other</u>
Grants Receivable	C-4	\$ 443,466.60	\$
Interfunds Receivable	C-5	138.00	185,898.94
Capital Improvement Fund	C-9	281,640.00	
Interfunds Payable	C-11	<u>7,731.93</u>	<u>64,731.93</u>
	Sheet #2	<u>\$ 732,976.53</u>	<u>\$ 250,630.87</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

GRANTS RECEIVABLE

C-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Grants</u>	<u>Collections</u>	<u>Balance Dec. 31, 2011</u>
	<u>State Grants</u>				
	New Jersey Transportation Trust Fund:				
09-24f	Knoll Road Resurfacing Project	\$ 195,000.00	\$	\$ 195,000.00	\$
10-13d	Park Road Improvement Project	250,000.00		187,500.00	62,500.00
08-13f	Union Hill Road Reconstruction Project		60,966.60	60,966.60	
11-07d	Park Road Resurfacing Phase II		250,000.00		250,000.00
		<u>\$ 445,000.00</u>	<u>\$ 310,966.60</u>	<u>\$ 443,466.60</u>	<u>\$ 312,500.00</u>
	<u>Reference</u>	<u>C</u>	<u>Below</u>	<u>C-2</u>	<u>C</u>
	<u>Ref.</u>				
	Improvement Authorizations		\$ 250,000.00		
	Reserve for Grants Receivable		60,966.60		
		<u>Above</u>	<u>\$ 310,966.60</u>		

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE

C-5

	<u>Ref.</u>	<u>Current Fund</u>
Balance December 31, 2010	C	\$ 138.00
Increased by:		
Advances	C-2	<u>185,898.94</u>
		186,036.94
Decreased by:		
Settlements	C-2	<u>138.00</u>
Balance December 31, 2011	C	<u><u>\$ 185,898.94</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION
FUNDED

C-6

	<u>Ref.</u>		
Balance December 31, 2010	C		\$ 64,164,199.87
Decreased by:			
Redemptions:			
Green Acres Loan	C-15	\$ 120,509.95	
Refunding Bonds	C-16	3,299,000.00	
Serial Bonds	C-17	<u>3,235,000.00</u>	
			<u>6,654,509.95</u>
Balance December 31, 2011	C		<u>\$ 57,509,689.92</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-7
Sheet #1

<u>Ordinance Number</u>	<u>Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>	<u>Analysis of Balance Dec. 31, 2011</u>	
						<u>Expenditures</u>	<u>Unexpended Improvement Authorizations</u>
91-27	5-14-91	Regional Contribution Agreement - City of Newark	\$ 453,643.69	\$	\$ 453,643.69	\$	\$ 453,643.69
01-16 02-09	5-22-01 4-09-02	Multi-Purpose: a. Acquisition and Development of the Brookwood Swim Club Property	567,750.00		567,750.00	132.80	567,617.20
04-23	7-20-04	Multi-Purpose: h. Manor Lake Dam Replacement	22,500.00		22,500.00		22,500.00
06-08 07-53	5-23-06 11-28-07	Multi-Purpose: g. Various Road Improvements	40,000.00		40,000.00		40,000.00
07-18	7-24-07	Multi-Purpose: g. Design of the Rainbow Lakes Dam Project	55,000.00		55,000.00	31,971.75	23,028.25
08-13	5-13-08	Multi-Purpose: c. Sidewalk and Curb Construction g. Remove and Replace Rainbow Lakes Dams h. Rockaway River Dredging j. Acquisition of a Storage Shed	37,500.00 142,500.00 166,250.00 57,000.00		37,500.00 142,500.00 166,250.00 57,000.00	37,500.00 28,568.42 2,802.50	113,931.58 163,447.50 57,000.00
09-24	6-16-09	Multi-Purpose: c. Sidewalk and Curb Construction d. Traffic Signal Design and Upgrades e. Various Road Improvements g. Replacement of Manor Lake Dam h. Rockaway River Dredging and Troy Brook Dredging	190,000.00 57,000.00 477,000.00 285,000.00 213,750.00		190,000.00 57,000.00 477,000.00 285,000.00 213,750.00	130,712.08	59,287.92 57,000.00 477,000.00 285,000.00 213,750.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-7
Sheet #2

<u>Ordinance Number</u>	<u>Date</u>	<u>Improvement Description</u>	<u>Balance</u>		<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>	<u>Analysis of Balance Dec. 31, 2011</u>	
			<u>Dec. 31, 2010</u>	<u>Dec. 31, 2010</u>			<u>Expenditures</u>	<u>Unexpended Improvement Authorizations</u>
10-13	7-20-10	Multi-Purpose: c. Sidewalk and Curb Construction d. Various Road Improvements e. Replacement of Manor Lake Dam	\$ 190,000.00 2,574,525.00 1,187,500.00	\$ 190,000.00 2,574,525.00 1,187,500.00	\$ 733,210.00 180,500.00 190,000.00 3,611,750.00 332,500.00 24,700.00 28,500.00	\$ 190,000.00 1,839,259.31 1,187,500.00	\$ 735,265.69	\$ 190,000.00 1,839,259.31 1,187,500.00
11-07	6-21-11	Multi-Purpose: a. Acquisition of Vehicles b. Acquisition of Various Equipment c. Sidewalk and Curb Construction d. Various Road Improvements e. Replacement of Manor Lake Dam f. Purchase of a Storage Building g. Upgrade to Engineering Building			733,210.00 180,500.00 190,000.00 3,611,750.00 332,500.00 24,700.00 28,500.00			733,210.00 180,500.00 190,000.00 3,611,750.00 332,500.00 24,700.00 28,500.00
			<u>\$ 6,716,918.69</u>	<u>\$ 5,101,160.00</u>	<u>\$ 11,818,078.69</u>	<u>\$ 966,953.24</u>	<u>\$ 10,851,125.45</u>	
		<u>Reference</u>	<u>C</u>	<u>C-8</u>	<u>C</u>	<u>C-3</u>		

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-8
Sheet #1

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Expended	Balance Dec. 31, 2011	
				Funded	Unfunded			Funded	Unfunded
Regional Contributor Agreement - City of Newark	91-27	5-14-91	\$ 5,100,000.00	\$	\$ 453,643.69	\$	\$	\$	\$ 453,643.69
Multi-Purpose: d. Storm Drainage Improvements at Various Locations	94-27	8-16-94	410,000.00	64,732.12				64,732.12	
Multi-Purpose: b. Storm Drainage Improvements at Various Locations	96-34	10-29-96							
Multi-Purpose: c. Road Resurfacing	99-24	6-22-99	2,195,350.00	138,276.85				138,276.85	
Multi-Purpose: a. Acquisition and Development of the Brookwood Swim Club Property	01-16	5-22-01	4,500,000.00						
Construction of a New Police Building	02-09	4-09-02	3,050,000.00	9,919.06	567,750.00	10,051.86			567,617.20
	02-11	4-30-02	6,500,000.00						
	03-29	8-12-03	2,100,000.00						
Multi-Purpose: d. Various Road Improvements	05-02	2-22-03	250,000.00	333.40		333.40			
	02-23	6-18-02	3,225,875.00	186,085.58		181,831.87		4,263.71	
Multi-Purpose: c. Sidewalk and Curb Construction f. Various Road Improvements	03-14	5-13-03	750,000.00	2,204.03				2,204.09	
			2,304,150.00	1,375.00				1,375.00	
Multi-Purpose: b. Various Park Improvements c. Sidewalk and Curb Construction f. Various Road Improvements h. Manor Lake Dam Replacement	04-23	7-20-04	1,080,000.00	30,000.00				30,000.00	
			340,000.00	6,180.00				6,180.00	
			2,405,900.00	100,897.05				100,897.05	
			150,000.00	10,818.56	22,500.00			10,818.56	22,500.00

TOWNSHIP OF PARSHIPPANY-TROY HILLS
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-8
Sheet #2

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Expended	Balance Dec. 31, 2011	
				Funded	Unfunded			Funded	Unfunded
Multi-Purpose:									
c. Sidewalk and Curb Construction	05-07	5-10-05	\$ 250,000.00	\$ 868.07	\$	\$	\$ 58,423.64	\$ 868.07	\$
f. Various Road Improvements			4,209,829.00	229,366.45				170,942.81	
Multi-Purpose:									
b. Various Park Improvements	06-08	5-23-06	689,000.00	20,283.90			5,684.27	14,589.63	
c. Sidewalk and Curb Construction			350,000.00	35,132.45				35,132.45	
e. Design and Development of Greystone Park			40,000.00	37,847.99				37,847.99	
f. Traffic Signal Design and Upgrades			150,000.00	50,000.00				50,000.00	
g. Various Road Improvements			3,150,000.00	542,025.19	40,000.00		114,619.48	427,405.71	40,000.00
Multi-Purpose:									
b. Various Park Improvements	07-18	7-24-07	140,000.00	3,278.38			3,278.38	20,284.60	
c. Sidewalk and Curb Construction			325,000.00	20,284.60				115,166.27	
f. Various Road Improvements			3,576,000.00	550,047.53			434,881.26		
g. Design of the Rainbow Lakes Dam Project			100,000.00		33,926.75		10,898.50		23,028.25
Multi-Purpose:									
c. Sidewalk and Curb Construction	08-13	5-13-08	250,000.00	69,894.78	37,500.00		107,394.78	53,592.70	
e. Traffic Signal Design and Upgrades			140,000.00	58,640.95			5,048.25	637,518.30	
f. Various Road Improvements			3,543,233.00	1,182,653.58			545,135.28		
g. Remove and Replace Rainbow Lakes Dams			150,000.00	7,500.00	142,500.00		36,068.42		113,931.58
h. Rockaway River Dredging			175,000.00		163,447.50			163,447.50	
j. Acquisition of a Storage Shed			60,000.00	3,000.00	57,000.00			3,000.00	57,000.00
Multi-Purpose:									
a. Acquisition of Vehicles	09-24	6-16-09	367,000.00	210,894.97			48,846.24	162,048.73	
b. Acquisition of Various Equipment			490,000.00	39,951.94			13,155.00	26,796.94	
c. Sidewalk and Curb Construction			200,000.00	6,901.96	190,000.00		137,614.04		59,287.92
d. Traffic Signal Design and Upgrades			60,000.00	3,000.00	57,000.00			3,000.00	57,000.00
e. Various Road Improvements			3,700,000.00	1,571,356.57	477,000.00		574,509.07	996,847.50	477,000.00
f. Knoll Road Resurfacing			475,000.00	133,687.11			6,948.43	126,738.68	
g. Replacement of Manor Lake Dam			300,000.00	15,000.00	285,000.00			15,000.00	285,000.00
h. Rockaway River Dredging and Troy Brook Dredging			225,000.00	11,250.00	213,750.00			11,250.00	213,750.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-8
Sheet #3

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Expended	Balance Dec. 31, 2011		Reference
				Funded	Unfunded			Funded	Unfunded	
Tax Appeal	10-12	7-20-10	\$ 1,325,000.00	\$ 3,381.00	\$	\$	\$ 3,381.00	\$	\$	
Multi-Purpose:	10-13	7-20-10	538,000.00	195,314.97			20,276.90	175,038.07		
a. Acquisition of Vehicles			146,500.00	146,500.00			17,000.00	129,500.00		
b. Acquisition of Various Equipment			200,000.00	10,000.00	190,000.00		9,323.16	676.84	190,000.00	
c. Sidewalk and Curb Construction			3,840,000.00	2,819,024.90			917,265.59		1,901,769.31	
d. Various Road Improvements			1,250,000.00	62,500.00	1,187,500.00		600.00	61,900.00	1,187,500.00	
e. Replacement of Manor Lake Dam										
Multi-Purpose:	11-07	6-21-11	771,800.00				9,224.00	29,366.00	733,210.00	
a. Acquisition of Vehicles			190,000.00					9,500.00	180,500.00	
b. Acquisition of Various Equipment			200,000.00					10,000.00	190,000.00	
c. Sidewalk and Curb Construction			4,065,000.00				20,425.21	182,824.79	3,861,750.00	
d. Various Road Improvements			350,000.00					17,500.00	332,500.00	
e. Replacement of Manor Lake Dam			26,000.00					1,300.00	24,700.00	
f. Purchase of a Storage Building			30,000.00					1,500.00	28,500.00	
g. Upgrade to Engineering Building										
			\$ 5,787,008.06	\$ 7,071,229.95		\$ 5,632,800.00	\$ 3,292,218.03	\$ 4,035,194.53	\$ 11,163,625.45	
			C	C	Below	C-2	C	C	C	
Grants Receivable										Ref.
Deferred Charges to Future Taxation - Unfunded						\$ 250,000.00				C-4
Capital Improvement Fund						5,101,160.00				C-7
						281,640.00				C-9
						5,632,800.00				Above

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-9

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 5,357.00
Increased by:		
Budget Appropriations	C-2	<u>281,640.00</u>
		286,997.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#11-07	C-8	<u>281,640.00</u>
Balance December 31, 2011	C	<u>\$ 5,357.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

DEPOSIT FOR REGIONAL CONTRIBUTION AGREEMENT

C-10

	<u>Ref.</u>	
Balance December 31, 2010	C	<u>\$ 261,420.19</u>
Balance December 31, 2011	C	<u><u>\$ 261,420.19</u></u>

INTERFUNDS PAYABLE

C-11

	<u>Ref.</u>	<u>Current Fund</u>
Increased by:		
General Capital Fund Balance Anticipated as Current Fund Revenue	C-1	\$ 35,000.00
Interest on Investments and Deposits	C-2	7,731.93
Reserve for Debt Service Anticipated as Current Fund Revenue	C-12	<u>22,000.00</u>
		<u>64,731.93</u>
Decreased by:		
Settlements	C-2	<u>64,731.93</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

RESERVE FOR DEBT SERVICE

C-12

	<u>Ref.</u>	
Balance December 31, 2010	C	\$ 29,295.79
Increased by:		
Transferred from Reserve for Grants Receivable	C-14	<u>60,966.60</u> 90,262.39
Decreased by:		
Anticipated as Current Fund Revenue	C-11	<u>22,000.00</u>
Balance December 31, 2011	C	<u>\$ 68,262.39</u>

RESERVE FOR DEVELOPER CONTRIBUTION - ROAD IMPROVEMENT

C-13

	<u>Ref.</u>	
Balance December 31, 2010	C	<u>\$ 79,652.68</u>
Balance December 31, 2011	C	<u>\$ 79,652.68</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE

C-14

<u>Ordinance Number</u>	<u>Purpose</u>	<u>2011 Grants</u>	<u>Collections</u>
	<u>State Grants</u>		
08-13f	New Jersey Department of Transportation: Union Hill Construction Project	<u>\$ 60,966.60</u>	<u>\$ 60,966.60</u>
	<u>Reference</u>	<u>C-4</u>	<u>C-12</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

GREEN ACRES TRUST ACQUISITION LOAN PAYABLE

C-15

<u>Description</u>	<u>Ordinance Number</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loan Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>				
Acquisition of Land	91-65	\$ 1,500,000.00	4-12-2012	\$ 42,642.43	2.00%	\$ 483,519.16	\$ 84,022.42	\$ 399,496.74
	92-40		10-12-2012	43,068.85				
	93-35		4-12-2013	43,499.54				
			10-12-2013	43,934.53				
			4-12-2014	44,373.88				
			10-12-2014	44,817.62				
			4-12-2015	45,265.79				
			10-12-2015	45,718.46				
			4-12-2016	46,175.64				
Acquisition of Land	93-35	664,482.00	5-19-2012	18,517.87	2.00%	250,680.71	36,487.53	214,193.18
			11-19-2012	18,703.05				
			5-19-2013	18,890.08				
			11-19-2013	19,078.98				
			5-19-2014	19,269.77				
			11-19-2014	19,462.47				
			5-19-2015	19,657.10				
			11-19-2015	19,853.67				
			5-19-2016	20,052.20				
			11-19-2016	20,252.73				
	5-19-2017	20,455.26						
						<u>250,680.71</u>	<u>36,487.53</u>	<u>214,193.18</u>
						<u>\$ 734,199.87</u>	<u>\$ 120,509.95</u>	<u>\$ 613,689.92</u>

Reference

C

C-6

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

REFUNDING BONDS

C-16

	<u>Date</u>	<u>Original Issue</u>	<u>Maturities of</u>	<u>Interest</u>	<u>Balance</u>	<u>Budget</u>	<u>Balance</u>
		<u>Amount</u>	<u>Bonds Outstanding</u>	<u>Rate</u>	<u>Dec. 31, 2010</u>	<u>Appropriation</u>	<u>Dec. 31, 2011</u>
			<u>Dec. 31, 2011</u>				
			<u>Amount</u>	<u>%</u>			
Refunding Bonds	6-15-93	\$ 21,513,000.00			\$ 862,000.00	\$ 862,000.00	\$
Refunding Bonds	6-15-93	2,620,000.00			890,000.00	890,000.00	
Refunding Bonds	5-04-10	12,092,000.00	\$ 1,595,000.00	3.00			
			10-01-2012	2.00			
			10-01-2013	2.875			
			10-01-2013	2.00			
			10-01-2014	3.00			
			10-01-2014	4.00			
			10-01-2014	3.00			
			10-01-2015	4.00			
			10-01-2015	3.00			
			10-01-2016	4.00			
			10-01-2016	5.00			
			10-01-2017	3.00			
			10-01-2017	5.00			
					<u>12,082,000.00</u>	<u>1,547,000.00</u>	<u>10,535,000.00</u>
					<u>\$ 13,834,000.00</u>	<u>\$ 3,299,000.00</u>	<u>\$ 10,535,000.00</u>
					<u>C</u>	<u>C-6</u>	<u>C</u>
				<u>Reference</u>			

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

SERIAL BONDS

C-17

	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Budget Appropriation	Balance Dec. 31, 2011
	Date	Amount	Date	Amount				
General	6-01-05	\$ 23,261,000.00	7-15-2012	\$ 990,000.00	4.00 %			
			7-15-2013	1,041,000.00	4.00			
			7-15-2014	1,085,000.00	4.00			
			7-15-2015	1,130,000.00	4.00			
			7-15-2016	1,180,000.00	4.00			
			7-15-2017	1,225,000.00	4.00			
			7-15-2018	1,275,000.00	4.00			
			7-15-2019	1,320,000.00	4.00			
			7-15-2020	1,370,000.00	4.00			
			7-15-2021	1,415,000.00	4.00			
			7-15-2022	1,460,000.00	4.00			
			7-15-2023/24	1,570,000.00	4.00	\$ 19,146,000.00	\$ 945,000.00	\$ 18,201,000.00
			7-15-2025	1,570,000.00	4.125			
General	7-01-08	17,000,000.00	7-01-2012	1,450,000.00	3.50			
			7-01-2013/14	1,500,000.00	3.50			
			7-01-2015	1,550,000.00	3.75			
			7-01-2016	1,600,000.00	3.75			
			7-01-2017	1,700,000.00	3.75			
			7-01-2018/19	2,000,000.00	4.00	14,700,000.00	1,400,000.00	13,300,000.00
General	10-26-10	14,425,000.00	11-01-2012/16	1,150,000.00	2.00			
			11-01-2017	1,150,000.00	2.25			
			11-01-2018	1,150,000.00	2.50			
			11-01-2019	1,150,000.00	2.75			
			11-01-2020/23	1,150,000.00	3.00	14,425,000.00	625,000.00	13,800,000.00
Tax Appeal	10-26-10	1,325,000.00	11-01-2012/15	265,000.00	2.00	1,325,000.00	265,000.00	1,060,000.00
						\$ 49,596,000.00	\$ 3,235,000.00	\$ 46,361,000.00

Reference

C

C-6

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

C-18

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>
91-27	Regional Contribution Agreement - City of Newark	\$ 453,643.69	\$	\$ 453,643.69
01-16	Multi-Purpose:			
02-09	a. Acquisition and Development of the Brookwood Swim Club Property	567,750.00		567,750.00
04-23	Multi-Purpose:			
	h. Manor Lake Dam Replacement	22,500.00		22,500.00
06-08	Multi-Purpose:			
07-53	g. Various Road Improvements	40,000.00		40,000.00
07-18	Multi-Purpose:			
	g. Design of the Rainbow Lakes Dam Project	55,000.00		55,000.00
08-13	Multi-Purpose:			
	c. Sidewalk and Curb Construction	37,500.00		37,500.00
	g. Remove and Replace Rainbow Lakes Dams	142,500.00		142,500.00
	h. Rockaway River Dredging	166,250.00		166,250.00
	j. Acquisition of a Storage Shed	57,000.00		57,000.00
09-24	Multi-Purpose:			
	c. Sidewalk and Curb Construction	190,000.00		190,000.00
	d. Traffic Signal Design and Upgrades	57,000.00		57,000.00
	e. Various Road Improvements	477,000.00		477,000.00
	g. Replacement of Manor Lake Dam	285,000.00		285,000.00
	h. Rockaway River Dredging and Troy Brook Dredging	213,750.00		213,750.00
10-13	Multi-Purpose:			
	c. Sidewalk and Curb Construction	190,000.00		190,000.00
	d. Various Road Improvements	2,574,525.00		2,574,525.00
	e. Replacement of Manor Lake Dam	1,187,500.00		1,187,500.00
11-07	Multi-Purpose:			
	a. Acquisition of Vehicles		733,210.00	733,210.00
	b. Acquisition of Various Equipment		180,500.00	180,500.00
	c. Sidewalk and Curb Construction		190,000.00	190,000.00
	d. Various Road Improvements		3,611,750.00	3,611,750.00
	e. Replacement of Manor Lake Dam		332,500.00	332,500.00
	f. Purchase of a Storage Building		24,700.00	24,700.00
	g. Upgrade to Engineering Building		28,500.00	28,500.00
		<u>\$ 6,716,918.69</u>	<u>\$ 5,101,160.00</u>	<u>\$ 11,818,078.69</u>

Reference

C

C-7

C

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

D-5

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2010	D	\$ 1,478,263.03	\$ 931,738.28
Increased by Receipts:			
Interest on Deposits	D-3	\$ 10,854.27	\$
Collector	D-6	7,928,738.59	
Interfunds Receivable	D-8	34,240.70	
Capital Improvement Fund	D-21		29,750.00
Interfunds Payable	D-22		3,879.01
Contra Item:			
Petty Cash	Contra	<u>150.00</u>	
		<u>7,973,983.56</u>	<u>33,629.01</u>
		9,452,246.59	965,367.29
Decreased by Disbursements:			
Budget Appropriations	D-4	5,802,484.87	
Appropriation Reserves	D-15	215,092.83	
Reserve for Water Master Plan	D-16	3,362.47	
Accrued Interest on Bonds	D-17	231,980.97	
Accrued Interest on Loans	D-18	7,714.59	
Water Rent Overpayments	D-19	9,492.78	
Improvement Authorizations	D-20		385,327.32
Interfunds Payable	D-22		3,879.01
Contra Item	Contra	<u>150.00</u>	
		<u>6,270,278.51</u>	<u>389,206.33</u>
Balance December 31, 2011	D	<u>\$ 3,181,968.08</u>	<u>\$ 576,160.96</u>
<u>Bank Reconciliation December 31, 2011</u>			
Balance per Statement:			
The Provident Bank, ParsIPPany, New Jersey: #9812100395		\$ 1,453,651.72	\$ 550,289.97
#9812100437			
Plus: Deposit-in-Transit		<u>1,754,187.35</u>	<u>25,870.99</u>
		3,207,839.07	576,160.96
Less: Outstanding Checks		<u>25,870.99</u>	
		<u>\$ 3,181,968.08</u>	<u>\$ 576,160.96</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

D-6

	<u>Ref.</u>	
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	D-3	\$ 69,666.18
Consumer Accounts Receivable	D-9	7,831,846.74
Water Rent Overpayments	D-19	<u>27,225.67</u>
		<u>7,928,738.59</u>
Decreased by Disbursements:		
Turnovers to Treasurer	D-5	<u>7,928,738.59</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ANALYSIS OF CAPITAL CASH

D-7

	Balance Dec. 31., 2010	Receipts		Disbursements		Transfers		Balance Dec. 31., 2011
		Other		Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>								
General Improvements:								
#03-15	\$ 5,002.79	\$	\$	\$ 455.50	\$	\$	\$	\$ 4,547.29
#05-08a,06-15	920.00							920.00
#05-08b,06-15	27,058.00			1,203.00				25,855.00
#06-09a	91,342.73			91,342.73				19,466.95
#06-09d	25,603.29			6,136.34				23,248.37
#07-19a	113,530.64			113,530.64				69,276.65
#08-14b	23,248.37							124,765.00
#09-25	221,935.76			152,659.11				29,750.00
#10-14	144,765.00			20,000.00				
#11-08								
<u>Other Accounts</u>								
Fund Balance	59,395.27							59,395.27
Capital Improvement Fund	14,498.22					29,750.00		14,498.22
Water Operating Fund Interfund Reserve for Debt Service	204,438.21				3,879.01			204,438.21
	<u>\$ 931,738.28</u>	<u>\$ 33,629.01</u>	<u>\$ 385,327.32</u>	<u>\$ 3,879.01</u>	<u>\$ 29,750.00</u>	<u>\$ 29,750.00</u>		<u>\$ 576,160.96</u>

<u>Reference</u>	<u>D</u>	<u>Below</u>	<u>D-20</u>	<u>D-22</u>	<u>Contra</u>	<u>Contra</u>	<u>D</u>
<u>Ref.</u>							
Capital Improvement Fund		\$ 29,750.00					
Interfunds Payable		3,879.01					
		<u>\$ 33,629.01</u>					
	Above						

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INTERFUNDS RECEIVABLE

D-8

	<u>Ref.</u>	<u>Total Water Operating Fund</u>	<u>Water Operating Fund</u> <u>Current Fund</u>	<u>Water Capital Fund</u>
Balance December 31, 2010	D	\$ 30,361.69	\$ 30,361.69	\$
Increased by:				
Interest on Investments and Deposits	D-3	<u>3,879.01</u> 34,240.70	<u>30,361.69</u>	<u>3,879.01</u> 3,879.01
Decreased by:				
Settlements	D-5	<u>34,240.70</u>	<u>30,361.69</u>	<u>3,879.01</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

D-9

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 292,878.86
Increased by:			
Adjusted Billings:			
Water Rents	Reserve		<u>7,862,782.64</u>
			8,155,661.50
Decreased by:			
Collections	D-3,6	\$ 7,831,846.74	
Overpayments Applied	D-19	<u>33,367.53</u>	
			<u>7,865,214.27</u>
Balance December 31, 2011	D		<u>\$ 290,447.23</u>

WATER LIENS RECEIVABLE

D-10

	<u>Ref.</u>		
Balance December 31, 2010	D		<u>\$ 252.57</u>
Balance December 31, 2011	D		<u>\$ 252.57</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INVENTORY - MATERIALS AND SUPPLIES

D-11

	<u>Ref.</u>	
Balance December 31, 2010	D	\$109,200.00
Decreased by:		
Adjustment to Inventory	Reserve	<u>18,100.00</u>
Balance December 31, 2011	D	<u>\$ 91,100.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

DEFERRED CHARGES
N.J.S.A. 40A:4-53(d) SPECIAL EMERGENCY - WATER SUPPLY MASTER PLAN

D-12

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
5-13-08	Water Supply Master Plan	<u>\$125,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 75,000.00</u>	<u>\$25,000.00</u>	<u>\$ 50,000.00</u>

Reference

D

D-4

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

FIXED CAPITAL

D-13

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Additions</u> <u>by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Organization	\$ 1,769.20	\$	\$ 1,769.20
Reservation Land	2,653.66		2,653.66
Other Sources - Supply Land	109.76		109.76
Pumping System Land	54,322.42		54,322.42
Storage Reservoir Land	717.00		717.00
Other Distribution System Land	1,720.00		1,720.00
Miscellaneous Land	1,590.00		1,590.00
Wells	868,299.00		868,299.00
Pumping Station Structures	343,457.98		343,457.98
Electric Pumping Equipment	47,817.03		47,817.03
Diesel Power Pumping Equipment	13,263.45		13,263.45
Transmission Mains	75,935.26		75,935.26
Storage Reservoirs	557,680.19		557,680.19
Distribution Mains	737,619.75		737,619.75
Service Pipes	21,814.48		21,814.48
Meters	567,817.53		567,817.53
Fire Hydrants	116,661.59		116,661.59
General Equipment	971,670.19	610,000.00	1,581,670.19
Engineering and Superintendence	47,248.53		47,248.53
Legal Expenditures During Construction	8,054.14		8,054.14
Damage During Construction	15,000.00		15,000.00
Interest During Construction	13,971.95		13,971.95
Ditching and Grading Machines	47,482.90		47,482.90
Burroughs Bookkeeping Machine	3,735.67		3,735.67
Grawdall Shovel	30,795.00		30,795.00
Backhoe and Shovel	39,863.00		39,863.00
Office Equipment	16,358.00		16,358.00
Miscellaneous Equipment	316,632.09		316,632.09
Trucks and Automobiles	418,570.65		418,570.65
Vehicles and Equipment	678,000.00		678,000.00
Main Extensions	958,249.07		958,249.07
Communication Equipment	52,089.00		52,089.00
Compressors	5,400.00		5,400.00
Tractor Mower	1,759.00		1,759.00
Phillips Bookkeeping Machine and Related Costs	60,498.45		60,498.45
Improvement of Water Supply and Distribution System	21,411,177.16	600,000.00	22,011,177.16
Meter Reader System	2,526,000.00		2,526,000.00
Issuance Costs - Various	572,645.00		572,645.00
	<u>\$ 31,608,448.10</u>	<u>\$ 1,210,000.00</u>	<u>\$ 32,818,448.10</u>

Reference

D

D-14

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-14

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2011</u>
Acquisition of Equipment	03-15	5-13-03	\$ 150,000.00	\$ 150,000.00	\$	\$	\$ 150,000.00
Multi-Purpose:							
a. Improvements to Water System	05-08	5-10-05		1,580,000.00			1,580,000.00
b. Acquisition of a Remote Meter Reading System	06-15	6-20-06	1,580,000.00	80,000.00			80,000.00
Multi-Purpose:							
a. Improvement to the Farnay Booster Supply Main	06-09	5-23-06	600,000.00	600,000.00		600,000.00	
d. Well Redevelopment and Miscellaneous Capital Improvements			40,000.00	40,000.00			40,000.00
Multi-Purpose:							
a. Various Equipment and Structural Improvements	07-19	7-24-07	610,000.00	610,000.00		610,000.00	
Multi-Purpose:							
b. Various Major Information Technology and Telecommunications Equipment	08-14	5-13-08	60,000.00	60,000.00			60,000.00
Improvements to Water Utility System	09-25	6-16-09	990,000.00	990,000.00			990,000.00
Improvements to Water Utility System	10-14	7-20-10	265,000.00	265,000.00			265,000.00
Improvements to Water Utility System	11-08	6-21-11	595,000.00	595,000.00	595,000.00		595,000.00
				<u>\$ 4,375,000.00</u>	<u>\$ 595,000.00</u>	<u>\$ 1,210,000.00</u>	<u>\$ 3,760,000.00</u>
		<u>Reference</u>	<u>D</u>		<u>D-20</u>	<u>D-13</u>	<u>D</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

APPROPRIATION RESERVES

D-15

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating: Other Expenses	\$ 86,657.01	\$ 349,628.39	\$ 210,917.62	\$ 138,710.77
Statutory Expenditures: Social Security System (OASI)	<u>33,329.92</u>	<u>33,329.92</u>	<u>4,175.21</u>	<u>29,154.71</u>
	<u>\$ 86,657.01</u>	<u>\$ 382,958.31</u>	<u>\$ 215,092.83</u>	<u>\$ 167,865.48</u>

Reference

D

D

D-5

D-1

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

RESERVE FOR WATER MASTER PLAN

D-16

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 27,612.50
Decreased by:		
Disbursements	D-5	<u>3,362.47</u>
Balance December 31, 2011	D	<u>\$ 24,250.03</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCRUED INTEREST ON BONDS

D-17

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 62,873.76
Increased by:		
Budget Appropriation	D-4	225,039.71
		287,913.47
Decreased by:		
Payments	D-5	231,980.97
		231,980.97
Balance December 31, 2011	D	\$ 55,932.50

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2011</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Serial Bonds</u>					
\$ 316,000.00	4.00 %	7-15-11	12-31-11	5.5 Months	\$ 5,793.33
400,000.00	3.50	7-01-11	12-31-11	6 Months	7,000.00
600,000.00	3.75	7-01-11	12-31-11	6 Months	11,250.00
400,000.00	4.00	7-01-11	12-31-11	6 Months	8,000.00
673,000.00	2.00	11-01-11	12-31-11	2 Months	2,243.33
175,000.00	2.25	11-01-11	12-31-11	2 Months	656.25
175,000.00	2.50	11-01-11	12-31-11	2 Months	729.17
175,000.00	2.75	11-01-11	12-31-11	2 Months	802.08
700,000.00	3.00	11-01-11	12-31-11	2 Months	3,500.00
<u>Refunding Bonds</u>					
\$ 245,000.00	4.00 %	12-01-11	12-31-11	1 Month	816.67
175,000.00	2.00	12-01-11	12-31-11	1 Month	291.67
445,000.00	4.00	12-01-11	12-31-11	1 Month	1,483.33
95,000.00	3.125	12-01-11	12-31-11	1 Month	247.40
190,000.00	2.875	12-01-11	12-31-11	1 Month	455.21
190,000.00	4.125	12-01-11	12-31-11	1 Month	653.13
15,000.00	2.00	10-01-11	12-31-11	3 Months	75.00
615,000.00	3.00	10-01-11	12-31-11	3 Months	4,612.50
205,000.00	2.875	10-01-11	12-31-11	3 Months	1,473.44
110,000.00	4.00	10-01-11	12-31-11	3 Months	1,100.00
380,000.00	5.00	10-01-11	12-31-11	3 Months	4,750.00
					\$ 55,932.50

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

ACCRUED INTEREST ON LOANS

D-18

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 3,468.75
Increased by:		
Budget Appropriation	D-4	7,485.42
		<u>10,954.17</u>
Decreased by:		
Payments	D-5	7,714.59
		<u>7,714.59</u>
Balance December 31, 2011	D	<u>\$ 3,239.58</u>

Analysis of Balance

<u>Loans Outstanding Dec. 31, 2011</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 25,000.00	5.50%	8-01-11	12-31-11	5 Months	\$ 572.92
90,000.00	5.00	8-01-11	12-31-11	5 Months	1,875.00
40,000.00	4.75	8-01-11	12-31-11	5 Months	791.66
					<u>\$ 3,239.58</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

WATER RENT OVERPAYMENTS

D-19

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 33,624.75
Increased by:			
Collections	D-6		<u>27,225.67</u>
			60,850.42
Decreased by:			
Cancelled	D-1	\$ 257.22	
Applied to Consumer Accounts			
Receivable	D-3,9	33,367.53	
Refunded	D-5	<u>9,492.78</u>	
			<u>43,117.53</u>
Balance December 31, 2011	D		<u>\$ 17,732.89</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

IMPROVEMENT AUTHORIZATIONS

D-20
Sheet #1

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Expended	Balance Dec. 31, 2011	
				Funded	Unfunded			Funded	Unfunded
Acquisition of Equipment	03-15	5-13-03	\$ 150,000.00	\$ 5,002.79	\$	\$	\$ 455.50	\$ 4,547.29	\$
Multi-Purpose:	05-08	5-10-05							
a. Improvements to Water System	06-15	6-20-06	1,580,000.00	820.00			1,203.00	920.00	25,855.00
b. Acquisition of a Remote Meter Reading System			80,000.00	27,058.00					
Multi-Purpose:	06-09	5-23-06							
a. Improvement to the Farnay Booster Supply Main			600,000.00	91,342.73			91,342.73		
d. Well Redevelopment and Miscellaneous Capital Improvements			40,000.00	25,603.29			6,136.34	19,466.95	
Multi-Purpose:	07-19	7-24-07							
a. Various Equipment and Structural Improvements			610,000.00	113,530.64			113,530.64		
Multi-Purpose:	08-14	5-13-08							
b. Various Major Information Technology and Telecommunications Equipment			60,000.00	23,248.37				23,248.37	
Improvements to Water Utility System	09-25	6-16-09	980,000.00	221,935.76			152,659.11	69,276.65	
Improvements to Water Utility System	10-14	7-20-10	265,000.00	144,765.00	101,750.00		20,000.00	124,765.00	101,750.00
Improvements to Water Utility System	11-08	6-21-11	595,000.00			595,000.00		29,750.00	565,250.00
				\$ 653,406.58	\$ 101,750.00	\$ 595,000.00	\$ 385,327.32	\$ 297,829.26	\$ 667,000.00
			Reference	D	D	D-14, Sheet #2	D-5	D	D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

IMPROVEMENT AUTHORIZATIONS

D-20
Sheet #2

	<u>Ref.</u>	2011 <u>Authorizations</u>
Capital Improvement Fund	D-21	\$ 29,750.00
Bonds and Notes Authorized	D-29	<u>565,250.00</u>
but Not Issued	Sheet #1	<u><u>\$ 595,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

CAPITAL IMPROVEMENT FUND

D-21

	<u>Ref.</u>	
Balance December 31, 2010	D	\$ 14,498.22
Increased by:		
Budget Appropriation	D-5	<u>29,750.00</u>
		44,248.22
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#11-08	D-20,25	<u>29,750.00</u>
Balance December 31, 2011	D	<u>\$ 14,498.22</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

INTERFUNDS PAYABLE

D-22

	<u>Ref.</u>	<u>Water Capital Fund</u> <u>Water Operating Fund</u>
Increased by:		
Interest on Deposits	D-5	\$ 3,879.01
Decreased by:		
Settlements	D-5	<u>3,879.01</u>
		<u>\$ -</u>

RESERVE FOR DEBT SERVICE

D-23

	<u>Ref.</u>	
Balance December 31, 2010	D	<u>\$ 204,438.21</u>
Balance December 31, 2011	D	<u>\$ 204,438.21</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

RESERVE FOR AMORTIZATION

D-24

	<u>Ref.</u>		
Balance December 31, 2010	D		\$ 27,133,553.67
Increased by:			
Transferred from Deferred Reserve for Amortization	D-25	\$ 60,500.00	
N.J. Environmental Infrastructure Trust Loan Paid by Operating Budget	D-26	21,804.91	
Refunding Bonds Paid by Operating Budget	D-27	616,000.00	
Serial Bonds Paid by Operating Budget	D-28	<u>220,000.00</u>	
			<u>918,304.91</u>
Balance December 31, 2011	D		<u>\$ 28,051,858.58</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

DEFERRED RESERVE FOR AMORTIZATION

D-25

<u>Description</u>	<u>Ordinance</u> <u>Number</u>	<u>Date</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>To</u> <u>Reserve for</u> <u>Amortization</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Acquisition of Equipment	03-15	5-13-03	\$ 31,250.00	\$	\$	\$ 31,250.00
Multi-Purpose:						
a. Improvements to Water System	05-08	5-10-05				1,050,000.00
b. Acquisition of a Remote Meter Reading System	06-15	6-20-06	1,050,000.00			80,000.00
Multi-Purpose:						
a. Improvement to the Farnay Booster Supply Main	06-09	5-23-06	30,000.00		30,000.00	
d. Well Redevelopment and Miscellaneous Capital Improvements			40,000.00			40,000.00
Multi-Purpose						
a. Various Equipment and Structural Improvements	07-19	7-24-07	30,500.00		30,500.00	
Multi-Purpose						
b. Various Major Information Technology and Telecommunications Equipment	08-14	5-13-08	3,000.00			3,000.00
Various Improvements to Water Utility System	09-25	6-16-09	49,500.00			49,500.00
Various Improvements to Water Utility System	10-14	7-20-10	13,250.00			13,250.00
Various Improvements to Water Utility System	11-08	6-21-11		29,750.00		29,750.00
			<u>\$ 1,327,500.00</u>	<u>\$ 29,750.00</u>	<u>\$ 60,500.00</u>	<u>\$ 1,296,750.00</u>
		<u>Reference</u>	<u>D</u>	<u>D-21</u>	<u>D-24</u>	<u>D</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-26

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance</u>	
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2010</u>	<u>Dec. 31, 2011</u>
Trust Share	11-01-01	\$ 245,000.00	8-01-12	\$ 10,000.00	5.5%		
			8-01-13	15,000.00	5.50		
			8-01-14/19	15,000.00	5.00		
			8-01-20/21	20,000.00	4.75	\$ 165,000.00	\$ 155,000.00
Fund Share	11-01-01	254,039.00	2-01-12	2,504.31	*		
			8-01-12	8,946.28	*		
			2-01-13	2,327.16	*		
			8-01-13	11,990.12	*		
			2-01-14	2,061.43	*		
			8-01-14	11,724.38	*		
			2-01-15	1,819.85	*		
			8-01-15	11,482.81	*		
			2-01-16	1,578.28	*		
			8-01-16	11,241.24	*		
			2-01-17	1,336.70	*		
			8-01-17	10,999.66	*		
			2-01-18	1,095.13	*		
			8-01-18	10,758.09	*		
			2-01-19	853.56	*		
			8-01-19	10,516.51	*		
			2-01-20	611.98	*		
			8-01-20	13,495.93	*		
			2-01-21	305.99	*		
			8-01-21	13,190.11	*	140,644.43	128,839.52
						11,804.91	
						<u>\$ 21,804.91</u>	<u>\$ 283,839.52</u>
					<u>Reference</u>	<u>D</u>	<u>D</u>
						<u>D-24</u>	

*Interest Free

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-27

REFUNDING BONDS

Purpose	Original Issue		Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Budget Appropriation	Balance Dec. 31, 2011
	Date	Amount	Date	Amount				
Water Improvements	6-15-93	\$ 3,199,000.00	12-01-2012	\$ 120,000.00	5.00 %	\$ 127,000.00	\$ 127,000.00	\$
Water Improvements	2-01-03	1,185,000.00	12-01-2013	125,000.00	4.00	365,000.00	120,000.00	245,000.00
Water Improvements	4-28-09	1,630,000.00	12-01-2012	175,000.00	2.00			
			12-01-2013	95,000.00	3.125			
			12-01-2013	80,000.00	4.00			
			12-01-2014	180,000.00	4.00			
			12-01-2015	185,000.00	4.00			
			12-01-2016	190,000.00	2.875			
			12-01-2017	190,000.00	4.125	1,265,000.00	170,000.00	1,095,000.00
Water Improvements	5-04-10	1,524,000.00	10-01-2012	200,000.00	3.00			
			10-01-2013	5,000.00	2.00			
			10-01-2013	205,000.00	2.875			
			10-01-2014	10,000.00	2.00			
			10-01-2014	180,000.00	3.00			
			10-01-2014	25,000.00	4.00			
			10-01-2015	170,000.00	3.00			
			10-01-2015	55,000.00	4.00			
			10-01-2016	55,000.00	3.00			
			10-01-2016	30,000.00	4.00			
			10-01-2016	150,000.00	5.00			
			10-01-2017	10,000.00	3.00			
			10-01-2017	230,000.00	5.00	1,524,000.00	199,000.00	1,325,000.00
						\$ 3,281,000.00	\$ 616,000.00	\$ 2,665,000.00

Reference

D

D-24

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

D-28

SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
Maturities of Bonds Outstanding Dec. 31, 2011								
Water Improvements	6-01-05	\$ 456,000.00	7-15-2012	\$ 30,000.00	4.00 %			
			7-15-2013	31,000.00	4.00			
			7-15-2014/2018	35,000.00	4.00			
			7-15-2019/2020	40,000.00	4.00	\$ 346,000.00	\$ 30,000.00	\$ 316,000.00
Water Improvements	7-01-08	1,700,000.00	7-01-2012/2013	100,000.00	3.50			
			7-01-2014	200,000.00	3.50			
			7-01-2015/2017	200,000.00	3.75			
			7-01-2018/2019	200,000.00	4.00	1,500,000.00	100,000.00	1,400,000.00
Water Improvements	10-26-10	1,988,000.00	11-01-2012	90,000.00	2.00			
			11-01-2013	100,000.00	2.00			
			11-01-2014	153,000.00	2.00			
			11-01-2015/2016	165,000.00	2.00			
			11-01-2017	175,000.00	2.25			
			11-01-2018	175,000.00	2.50			
			11-01-2019	175,000.00	2.75			
			11-01-2020/2023	175,000.00	3.00	1,988,000.00	90,000.00	1,898,000.00
						<u>\$ 3,834,000.00</u>	<u>\$ 220,000.00</u>	<u>\$ 3,614,000.00</u>
<u>Reference</u>						D	D-24	D

TOWNSHIP OF PARSIPPANY-TROY HILLS
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

D-29

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>
10-14	Improvements to Water Utility System	\$ 101,750.00	\$	\$ 101,750.00
11-08	Improvements to Water Utility System	_____	565,250.00	565,250.00
		<u>\$ 101,750.00</u>	<u>\$ 565,250.00</u>	<u>\$ 667,000.00</u>

Reference

D

D-20

D

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

E-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2010	E	\$ 7,441,736.72		\$ 3,604,552.64
Increased by Receipts:				
Interest on Investments	E-3	\$ 32,642.28	\$	
Collector	E-6	16,185,845.21		
Loans Receivable	E-8		12,221,290.00	
Interfunds Receivable	E-9	26,823.40		
Capital Improvement Fund	E-20		100,000.00	
Interfunds Payable	E-21		15,013.22	
Contra Item:				
Petty Cash	Contra	<u>200.00</u>		
		<u>16,245,510.89</u>		<u>12,336,303.22</u>
		23,687,247.61		15,940,855.86
Decreased by Disbursements:				
Prior Year Revenue Refunds	E-1	503,130.55		
Budget Appropriations	E-4	11,594,660.27		
Appropriation Reserves	E-15	873,655.75		
Accrued Interest on Loans	E-16	264,243.44		
Accrued Interest on Bonds	E-17	316,360.24		
Sewer Overpayments	E-18	8,949.31		
Improvement Authorizations	E-19		13,374,340.97	
Interfunds Payable	E-21	700,000.00	15,013.22	
Contra Item	Contra	<u>200.00</u>		
		<u>14,261,199.56</u>		<u>13,389,354.19</u>
Balance December 31, 2011	E	<u>\$ 9,426,048.05</u>		<u>\$ 2,551,501.67</u>
<u>Bank Reconciliation December 31, 2011</u>				
Balance per Statement:				
The Provident Bank,				
Parsippany, New Jersey:				
#9812100411		\$ 9,335,489.83		\$ 2,466,514.89
#9812100429				
Plus: Deposit-in-Transit		<u>175,545.00</u>		<u>84,986.78</u>
		9,511,034.83		2,551,501.67
Less: Outstanding Checks		<u>84,986.78</u>		
		<u>\$ 9,426,048.05</u>		<u>\$ 2,551,501.67</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

E-6

	<u>Ref.</u>	
Increased by:		
Capacity and Connection Fees	E-3	\$ 59,073.34
Miscellaneous Revenue Not Anticipated	E-3	80,589.78
Sewer Revenue Accounts Receivable	E-10	15,999,361.67
Sewer Overpayments	E-18	<u>46,820.42</u>
		<u>16,185,845.21</u>
Decreased by:		
Turnovers to Treasurer	E-5	<u>16,185,845.21</u>
		<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ANALYSIS OF CAPITAL CASH

E-7

Improvement Authorizations General Improvements:	Balance Dec. 31, 2010	Receipts Other	Disbursements		Transfers		Balance Dec. 31, 2011
			Improvement Authorizations	Other	From	To	
#99-14	\$ 14,026.08		\$ 14,026.08				\$ 1,355.24
#06-10a	22,289.44		20,934.20				171,545.76
#07-20a	171,545.76						(90.00)
#07-20b	(90.00)						(3,567.00)
#07-20c	2,264.69			5,831.69			980,745.44
#08-15a	1,101,260.10			120,514.66			(47,434.82)
#08-15b	(47,434.82)						302,248.79
#09-26	623,830.40			321,581.61			177,791.31
#09-28	578,751.71	12,221,290.00		12,622,250.40			(258,726.83)
#10-15	10,475.50			269,202.33		100,000.00	100,000.00
#11-09							
<u>Other Accounts</u>							
Fund Balance	103,883.78						103,883.78
Capital Improvement Fund	1,023,750.00	100,000.00			100,000.00		1,023,750.00
Sewer Operating Fund Interfund		15,013.22		15,013.22			
	<u>\$ 3,604,552.64</u>	<u>\$ 12,336,303.22</u>	<u>\$ 13,374,340.97</u>	<u>\$ 15,013.22</u>	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 2,551,501.67</u>
<u>Reference</u>	E	Below	E-19	E-21	Contra	Contra	E
<u>Ref.</u>							
Loans Receivable		\$ 12,221,290.00					
Capital Improvement Fund		100,000.00					
Interfunds Payable		15,013.22					
	Above	<u>\$ 12,336,303.22</u>					

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

LOANS RECEIVABLE

E-8

	<u>Ref.</u>	
Balance December 31, 2010	E	\$19,992,291.00
Decreased by:		
Collections	E-5	<u>12,221,290.00</u>
Balance December 31, 2011	E	<u>\$ 7,771,001.00</u>
 <u>Analysis of Balance</u>		
N.J. Environmental Infrastructure Trust Loan:		
Ordinance #08-15a		\$ 174,900.00
Ordinance #09-28:		
State Share		<u>7,596,101.00</u>
		<u>\$ 7,771,001.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

INTERFUNDS RECEIVABLE

E-9

		Total Sewer Operating Fund	<u>Sewer Operating Fund</u>	
<u>Ref.</u>		<u>Fund</u>	<u>Current Fund</u>	<u>Sewer Capital Fund</u>
Balance December 31, 2010	E	\$ 11,810.18	\$ 11,810.18	\$
Increased by:				
Interest on Deposits	E-3	<u>15,013.22</u>	<u>11,810.18</u>	<u>15,013.22</u>
		26,823.40		15,013.22
Decreased by:				
Settlements	E-5	<u>26,823.40</u>	<u>11,810.18</u>	<u>15,013.22</u>
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER REVENUE ACCOUNTS RECEIVABLE

E-10

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Adjusted</u> <u>Billings</u>	<u>Collections</u>	<u>Overpayments</u> <u>Applied</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Sewer Rents:					
Residential and Industrial	\$ 536,567.37	\$ 11,730,007.16	\$ 11,710,914.79	\$ 40,180.93	\$ 515,478.81
Municipalities:					
Township of East Hanover		1,409,441.00	1,409,441.00		
Township of Montville		1,620,858.24	1,620,858.24		
Borough of Mountain Lakes		340,067.52	340,067.52		
Township of Denville		61,401.00	61,401.00		
	<u>536,567.37</u>	<u>15,161,774.92</u>	<u>15,142,682.55</u>	<u>40,180.93</u>	<u>515,478.81</u>
Septage Removal	<u>171,822.22</u>	<u>871,418.13</u>	<u>856,679.12</u>	<u>10,960.43</u>	<u>175,600.80</u>
	<u>\$ 708,389.59</u>	<u>\$ 16,033,193.05</u>	<u>\$ 15,999,361.67</u>	<u>\$ 51,141.36</u>	<u>\$ 691,079.61</u>

Reference

E

Reserve

E-6, Below

E-18

E

Ref.

Cash Receipts:

 Sewer Rents

 Septage Removal

\$ 15,142,682.55

856,679.12

\$ 15,999,361.67

E-3

E-3

Above

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER LIENS RECEIVABLE

E-11

	<u>Ref.</u>	
Balance December 31, 2010	E	<u>\$ 721.81</u>
Balance December 31, 2011	E	<u><u>\$ 721.81</u></u>

INVENTORY
MATERIALS AND SUPPLIES

E-12

	<u>Ref.</u>	
Balance December 31, 2010	E	\$62,503.00
Increased by:		
Adjustment to Inventory Record	Reserve	<u>16,538.00</u>
Balance December 31, 2011	E	<u><u>\$79,041.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

FIXED CAPITAL

E-13

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Additions</u> <u>by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Sanitary Sewer Facilities	\$ 132,380,188.85	\$ 400,000.00	\$ 132,780,188.85
Equipment	674,000.00		674,000.00
Moving Equipment	208,719.84		208,719.84
Office Equipment	2,784.12		2,784.12
Maintenance Equipment	28,361.31		28,361.31
Communication Equipment	106,798.58		106,798.58
Automotive Equipment	50,539.44		50,539.44
Vehicles	140,000.00		140,000.00
Outflow Line	19,462.30		19,462.30
Issuance Costs - Various	<u>1,892,465.00</u>		<u>1,892,465.00</u>
	<u>\$ 135,503,319.44</u>	<u>\$ 400,000.00</u>	<u>\$ 135,903,319.44</u>

Reference

E

E-14

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-14

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2011</u>
99-14	Improvements to Sewer Utility System	\$ 400,000.00	\$	\$ 400,000.00	\$
06-10	Multi-Purpose: a. Improvements to Sewer Utility System	330,000.00			330,000.00
07-20	Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	426,405.00			426,405.00
08-15	Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	3,130,000.00			3,130,000.00
09-26	Various Sewer Utility Improvements	1,900,000.00			1,900,000.00
09-28	Improvements and Upgrades to the Township's Waste Water Treatment Plant	33,200,000.00			33,200,000.00
10-15	Various Sewer Utility Improvements	1,925,000.00			1,925,000.00
11-09	Various Sewer Utility Improvements	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>\$ 400,000.00</u>	<u>2,000,000.00</u>
		<u>\$ 41,411,405.00</u>	<u>\$ 2,000,000.00</u>	<u>\$ 400,000.00</u>	<u>\$ 43,011,405.00</u>

Reference

E

E-19

E-13

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-15

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 285,957.28	\$ 175,036.21	\$ 68,480.52	\$ 106,555.69
Other Expenses	<u>285,957.28</u>	<u>1,248,245.73</u>	<u>797,327.04</u>	<u>736,875.97</u>
		<u>1,423,281.94</u>	<u>865,807.56</u>	<u>843,431.66</u>
Statutory Expenditures:				
Social Security System		<u>52,344.10</u>	<u>7,848.19</u>	<u>44,495.91</u>
(OASI)				
	<u>\$ 285,957.28</u>	<u>\$ 1,475,626.04</u>	<u>\$ 873,655.75</u>	<u>\$ 887,927.57</u>
<u>Reference</u>	<u>E</u>	<u>E</u>	<u>E-5</u>	<u>E-1</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCRUED INTEREST ON LOANS

E-16

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 110,101.43
Increased by:		
Budget Appropriation	E-4	260,738.46
		370,839.89
Decreased by:		
Payments	E-5	264,243.44
		264,243.44
Balance December 31, 2011	E	\$ 106,596.45

Analysis of Balance

Principal Outstanding Dec. 31, 2011	Interest Rate		Accrued		Period	Amount
			From	To		
\$ 1,940.88	0.86	%	8-01-11	12-31-11	5 Months	\$ 6.95
1,957.57	1.15		8-01-11	12-31-11	5 Months	9.38
1,980.08	1.55		8-01-11	12-31-11	5 Months	12.79
2,010.78	1.94		8-01-11	12-31-11	5 Months	16.25
2,049.78	2.28		8-01-11	12-31-11	5 Months	19.47
2,096.52	2.57		8-01-11	12-31-11	5 Months	22.45
2,150.40	2.75		8-01-11	12-31-11	5 Months	24.64
2,209.54	2.95		8-01-11	12-31-11	5 Months	27.16
2,274.72	3.14		8-01-11	12-31-11	5 Months	29.76
2,346.14	3.27		8-01-11	12-31-11	5 Months	31.97
2,422.86	3.46		8-01-11	12-31-11	5 Months	34.93
2,506.69	3.60		8-01-11	12-31-11	5 Months	37.60
2,596.93	3.69		8-01-11	12-31-11	5 Months	39.93
2,692.76	3.79		8-01-11	12-31-11	5 Months	42.52
2,794.82	3.89		8-01-11	12-31-11	5 Months	45.30
2,903.54	3.98		8-01-11	12-31-11	5 Months	48.15
3,019.10	4.07		8-01-11	12-31-11	5 Months	51.20
3,141.97	4.15		8-01-11	12-31-11	5 Months	54.33
3,105,000.00	4.00		8-01-11	12-31-11	5 Months	51,750.00
2,115,000.00	5.00		8-01-11	12-31-11	5 Months	44,062.50
340,000.00	3.00		8-01-11	12-31-11	5 Months	4,250.00
410,000.00	3.50		8-01-11	12-31-11	5 Months	5,979.17
						\$ 106,596.45

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

ACCRUED INTEREST ON BONDS

E-17

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 70,091.77
Increased by:		
Budget Appropriation	E-4	307,501.14
		<u>377,592.91</u>
Decreased by:		
Payments	E-5	316,360.24
		<u>316,360.24</u>
Balance December 31, 2011	E	<u>\$ 61,232.67</u>

Analysis of Balance

Principal Outstanding Dec. 31, 2011	Interest Rate	Accrued		Period	Amount
		<u>From</u>	<u>To</u>		
<u>Serial Bonds</u>					
\$ 878,000.00	4.00 %	7-15-11	12-31-11	5.5 Month	\$ 16,096.67
190,000.00	3.50	7-01-11	12-31-11	6 Months	3,325.00
230,000.00	3.75	7-01-11	12-31-11	6 Months	4,312.50
200,000.00	4.00	7-01-11	12-31-11	6 Months	4,000.00
1,373,300.00	2.00	11-01-11	12-31-11	2 Months	4,577.67
310,000.00	2.25	11-01-11	12-31-11	2 Months	1,162.50
325,000.00	2.50	11-01-11	12-31-11	2 Months	1,354.17
350,000.00	2.75	11-01-11	12-31-11	2 Months	1,604.17
1,460,000.00	3.00	11-01-11	12-31-11	2 Months	7,300.00
<u>Refunding Bonds</u>					
345,000.00	4.00	12-01-11	12-31-11	1 Month	1,150.00
310,000.00	2.00	12-01-11	12-31-11	1 Month	516.67
330,000.00	2.875	12-01-11	12-31-11	1 Month	790.63
180,000.00	3.125	12-01-11	12-31-11	1 Month	468.75
775,000.00	4.00	12-01-11	12-31-11	1 Month	2,583.33
330,000.00	4.125	12-01-11	12-31-11	1 Month	1,134.38
20,000.00	2.00	10-01-11	12-31-11	3 Month	100.00
545,000.00	3.00	10-01-11	12-31-11	3 Month	4,087.50
180,000.00	2.875	10-01-11	12-31-11	3 Month	1,293.75
100,000.00	4.00	10-01-11	12-31-11	3 Month	1,000.00
350,000.00	5.00	10-01-11	12-31-11	3 Month	4,375.00
					<u>\$ 61,232.67</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

SEWER OVERPAYMENTS

E-18

	<u>Ref.</u>		
Balance December 31, 2010	E		\$ 51,141.36
Increased by:			
Collections	E-6		<u>46,820.42</u>
			97,961.78
Decreased by:			
Applied to Revenue:			
Sewer Rents	E-3	\$ 40,180.93	
Septage Removal	E-3	<u>10,960.43</u>	
	E-10	51,141.36	
Refunded	E-5	<u>8,949.31</u>	
			<u>60,090.67</u>
Balance December 31, 2011	E		<u><u>\$ 37,871.11</u></u>

TOWNSHIP OF PARSIPEANY-TROY HILLS
SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

E-19
Sheet #1

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Expended	Balance Dec. 31, 2011	
				Funded	Unfunded			Funded	Unfunded
				\$	\$			\$	\$
Improvements to Sewer Utility System	99-14	5-11-99	\$ 400,000.00	\$ 14,026.08	\$	\$ 14,026.08	\$		
Multi-Purpose: a. Improvements to Sewer Utility System	06-10	5-23-06	330,000.00	22,289.44		20,934.20	1,355.24		
Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	07-20	7-24-07	426,405.00	171,545.76		5,831.69	171,545.76	44,048.00	
Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	08-15	5-13-08	3,130,000.00	1,101,260.10		120,514.66	980,745.44	174,900.00	
Various Sewer Utility Improvements	09-26	6-16-09	1,900,000.00	623,830.40		321,581.61	302,248.79	840,000.00	
Improvements and Upgrades to the Township's Waste Water Treatment Plant	09-28	6-16-09	33,200,000.00	578,751.71		12,622,250.40		15,785,682.31	
Various Sewer Utility Improvements	10-15	7-20-10	1,925,000.00	10,475.50		269,202.33		1,570,023.17	
Various Sewer Utility Improvements	11-09	6-21-11	2,000,000.00				100,000.00	1,900,000.00	
				\$ 2,524,443.68	\$ 30,720,511.18	\$ 13,374,340.97	\$ 1,555,895.23	\$ 20,314,718.66	
			Reference	E	E	E-5	E	E	

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

E-19
Sheet #2

	<u>Ref.</u>	2011 <u>Authorizations</u>
Capital Improvement Fund	E-20	\$ 100,000.00
Bonds and Notes Authorized but Not Issued	E-27	<u>1,900,000.00</u>
	Sheet #1	<u><u>\$2,000,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

CAPITAL IMPROVEMENT FUND

E-20

	<u>Ref.</u>	
Balance December 31, 2010	E	\$ 1,023,750.00
Increased by:		
Budget Appropriations	E-5	<u>100,000.00</u> 1,123,750.00
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#11-09	E-19,23	<u>100,000.00</u>
Balance December 31, 2011	E	<u>\$ 1,023,750.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

INTERFUNDS PAYABLE

E-21

	<u>Ref.</u>	<u>Sewer Operating Fund Current Fund</u>	<u>Sewer Capital Fund Sewer Operating Fund</u>
Increased by:			
Sewer Operating Fund Balance			
Anticipated in Current Fund Budget	E-1	\$ 700,000.00	\$
Interest on Deposit	E-5		<u>15,013.22</u>
		<u>700,000.00</u>	<u>15,013.22</u>
Decreased by:			
Settlements	E-5	<u>700,000.00</u>	<u>15,013.22</u>
		<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

RESERVE FOR AMORTIZATION

E-22

	<u>Ref.</u>		
Balance December 31, 2010	E		\$ 130,290,129.44
Increased by:			
Transferred from Deferred Reserve for Amortization	E-23	\$ 20,000.00	
Refunding Bonds Paid by Operating Budget	E-25	975,000.00	
Serial Bonds Paid by Operating Budget	E-26	<u>127,895.50</u>	
			<u>1,122,895.50</u>
Balance December 31, 2011	E		<u>\$ 131,413,024.94</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-23

DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2010</u>	<u>Increase</u>	<u>Loans Paid by Operating Budget</u>	<u>Bonds Paid by Operating Budget</u>	<u>To Reserve for Amortization</u>	<u>Balance Dec. 31, 2011</u>
99-14	Improvements to Sewer Utility System	\$ 20,000.00	\$	\$	\$	\$ 20,000.00	\$
06-10	Multi-Purpose: a. Improvements to Sewer Utility System	16,500.00					16,500.00
07-20	Multi-Purpose: a. Various Equipment and Structural Improvements c. Various Major Information Technology and Telecommunications Equipment	20,305.00			18,188.00		38,491.00
		2,385.00					2,385.00
08-15	Multi-Purpose: a. Various Sewer Utility Improvements and Equipment Acquisitions b. Various Major Information Technology and Telecommunications Equipment	160,902.57		8,532.77	129,333.50		298,768.84
		2,500.00					2,500.00
09-26	Various Sewer Utility Improvements	95,000.00			44,585.00		139,585.00
09-28	Improvements to Township's Waste Water Treatment Plant	5,474,854.57		922,281.85			6,397,136.42
10-15	Various Sewer Utility Improvements	96,250.00					96,250.00
11-09	Various Sewer Utility Improvements	100,000.00	100,000.00				100,000.00
		<u>\$ 5,888,697.14</u>	<u>\$ 100,000.00</u>	<u>\$ 930,814.62</u>	<u>\$ 192,104.50</u>	<u>\$ 20,000.00</u>	<u>\$ 7,091,616.26</u>
	<u>Reference</u>	<u>E</u>	<u>E-20</u>	<u>E-24</u>	<u>E-26</u>	<u>E-22</u>	<u>E</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

E-24
Sheet #1

	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance</u>	
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2010</u>	<u>Dec. 31, 2011</u>
Trust Share	2-17-10	\$ 45,024.00	8-01-2012	\$ 1,940.88	0.86%		
			8-01-2013	1,957.57	1.15		
			8-01-2014	1,980.08	1.55		
			8-01-2015	2,010.78	1.94		
			8-01-2016	2,049.78	2.28		
			8-01-2017	2,096.52	2.57		
			8-01-2018	2,150.40	2.75		
			8-01-2019	2,209.54	2.95		
			8-01-2020	2,274.72	3.14		
			8-01-2021	2,346.14	3.27		
			8-01-2022	2,422.86	3.46		
			8-01-2023	2,506.69	3.60		
			8-01-2024	2,596.93	3.69		
			8-01-2025	2,692.76	3.79		
			8-01-2026	2,794.82	3.89		
			8-01-2027	2,903.54	3.98		
			8-01-2028	3,019.10	4.07		
			8-01-2029	3,141.97	4.15		
						\$ 45,024.00	\$ 43,095.08
Fund Share	2-17-10	129,876.00	2-01-2012	2,201.28	*		
			8-01-2012	4,402.57	*		
			2-01-2013	2,201.28	*		
			8-01-2013	4,402.57	*		
			2-01-2014	2,201.28	*		
			8-01-2014	4,402.57	*		
			2-01-2015	2,201.28	*		
			8-01-2015	4,402.57	*		
			2-01-2016	2,201.28	*		
			8-01-2016	4,402.57	*		
			2-01-2017	2,201.28	*		
			8-01-2017	4,402.57	*		
			2-01-2018	2,201.28	*		
			8-01-2018	4,402.57	*		

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

E-24
Sheet #2

	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Fund Share	2-17-10	\$ 129,876.00	2-01-2019	\$ 2,201.28	*			
			8-01-2019	4,402.57	*			
			2-01-2020	2,201.28	*			
			8-01-2020	4,402.57	*			
			2-01-2021	2,201.28	*			
			8-01-2021	4,402.57	*			
			2-01-2022	2,201.28	*			
			8-01-2022	4,402.57	*			
			2-01-2023	2,201.28	*			
			8-01-2023	4,402.57	*			
			2-01-2024	2,201.28	*			
			8-01-2024	4,402.57	*			
			2-01-2025	2,201.28	*			
			8-01-2025	4,402.57	*			
			2-01-2026	2,201.28	*			
			8-01-2026	4,402.57	*			
			2-01-2027	2,201.28	*			
			8-01-2027	4,402.57	*			
			2-01-2028	2,201.28	*			
			8-01-2028	4,402.57	*			
			2-01-2029	2,201.28	*			
			8-01-2029	4,402.85	*			
						\$ 125,473.43	\$ 6,603.85	\$ 118,869.58
Trust Share	3-10-10	6,180,000.00	8-01-2012	220,000.00	5.00			
			8-01-2013	230,000.00	5.00			
			8-01-2014	245,000.00	5.00			
			8-01-2015	255,000.00	5.00			
			8-01-2016	270,000.00	5.00			
			8-01-2017	280,000.00	5.00			
			8-01-2018	295,000.00	5.00			
			8-01-2019	310,000.00	4.00			
			8-01-2020	320,000.00	5.00			
			8-01-2021	340,000.00	3.00			

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-24
Sheet #3

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Trust Share	3-10-10	\$ 6,180,000.00	8-01-2022	\$ 350,000.00	4.00%			
			8-01-2023	365,000.00	4.00			
			8-01-2024	375,000.00	4.00			
			8-01-2025	390,000.00	4.00			
			8-01-2026	410,000.00	3.50			
			8-01-2027	420,000.00	4.00			
			8-01-2028	440,000.00	4.00			
			8-01-2029	455,000.00	4.00	\$ 6,180,000.00	\$ 210,000.00	\$ 5,970,000.00
Fund Share	3-10-10	14,008,210.00	2-01-2012	237,427.28	*			
			8-01-2012	474,854.57	*			
			2-01-2013	237,427.28	*			
			8-01-2013	474,854.57	*			
			2-01-2014	237,427.28	*			
			8-01-2014	474,854.57	*			
			2-01-2015	237,427.28	*			
			8-01-2015	474,854.57	*			
			2-01-2016	237,427.28	*			
			8-01-2016	474,854.57	*			
			2-01-2017	237,427.28	*			
			8-01-2017	474,854.57	*			
			2-01-2018	237,427.28	*			
			8-01-2018	474,854.57	*			
			2-01-2019	237,427.28	*			
			8-01-2019	474,854.57	*			
			2-01-2020	237,427.28	*			
			8-01-2020	474,854.57	*			
			2-01-2021	237,427.28	*			
			8-01-2021	474,854.57	*			
			2-01-2022	237,427.28	*			
			8-01-2022	474,854.57	*			
			2-01-2023	237,427.28	*			
			8-01-2023	474,854.57	*			

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-24
Sheet #4

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Fund Share	Original Issue		Loan Maturities Outstanding		Interest Rate	Balance Dec. 31, 2010	Decrease	Balance Dec. 31, 2011
	Date	Amount	Date	Amount				
	3-10-10	\$ 14,008,210.00	2-01-2024	\$ 237,427.28	*			
			8-01-2024	474,854.57	*			
			2-01-2025	237,427.28	*			
			8-01-2025	474,854.57	*			
			2-01-2026	237,427.28	*			
			8-01-2026	474,854.57	*			
			2-01-2027	237,427.28	*			
			8-01-2027	474,854.57	*			
			2-01-2028	237,427.28	*			
			8-01-2028	474,854.57	*			
			2-01-2029	237,427.28	*			
			8-01-2029	474,854.85	*			
						\$ 13,533,355.43	\$ 712,281.85	\$ 12,821,073.58
						\$ 19,883,852.86	\$ 930,814.62	\$ 18,953,038.24
						E	E-23	E

*Interest Free

TOWNSHIP OF PARSIPEANY-TROY HILLS
SEWER UTILITY

REFUNDING BONDS

E-25

	<u>Original Issue</u>		<u>Date</u>	<u>Amount</u>	<u>Maturities of</u> <u>Bonds Outstanding</u> <u>Dec. 31, 2011</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>							
Sewer Improvements	6-15-93	\$ 4,068,000.00					\$ 161,000.00	\$ 161,000.00	\$
Sewer Improvements	2-01-03	2,985,000.00		\$ 175,000.00	4.00 %				
				170,000.00	4.00	675,000.00	330,000.00	345,000.00	
Sanitary Sewer Collection System	4-28-09	2,871,000.00							
				310,000.00	2.00				
				180,000.00	3.125				
				135,000.00	4.00				
				315,000.00	4.00				
				325,000.00	4.00				
				330,000.00	2.875				
				330,000.00	4.125	2,230,000.00	305,000.00	1,925,000.00	
Sewer Improvements	5-04-10	1,374,000.00							
				180,000.00	3.00				
				10,000.00	2.00				
				180,000.00	2.875				
				10,000.00	2.00				
				160,000.00	3.00				
				25,000.00	4.00				
				150,000.00	3.00				
				50,000.00	4.00				
				50,000.00	3.00				
				25,000.00	4.00				
				135,000.00	5.00				
				5,000.00	3.00				
				215,000.00	5.00	1,374,000.00	179,000.00	1,195,000.00	
						\$ 4,440,000.00	\$ 975,000.00	\$ 3,465,000.00	
					<u>Reference</u>	<u>E</u>	<u>E-22</u>	<u>E</u>	

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

E-26

SEWER SERIAL BONDS

	<u>Original Issue</u>		<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
Sewer Improvements	6-01-05	\$ 603,000.00	7-15-2012	\$ 80,000.00	4.00%			
			7-15-2013	88,000.00	4.00			
			7-15-2014	90,000.00	4.00			
			7-15-2015/2016	95,000.00	4.00			
			7-15-2017	100,000.00	4.00			
			7-15-2018	105,000.00	4.00			
			7-15-2019	110,000.00	4.00			
			7-15-2020	115,000.00	4.00	\$ 953,000.00	\$ 75,000.00	\$ 878,000.00
Sewer Improvements	7-01-08	800,000.00	7-01-2012/2013	60,000.00	3.50			
			7-01-2014	70,000.00	3.50			
			7-01-2015	70,000.00	3.75			
			7-01-2016/2017	80,000.00	3.75			
			7-01-2018/2019	100,000.00	4.00	680,000.00	60,000.00	620,000.00
Sewer Improvements	10-26-10	4,003,300.00	11-01-2012	185,000.00	2.00			
			11-01-2013	275,000.00	2.00			
			11-01-2014	298,300.00	2.00			
			11-01-2015	305,000.00	2.00			
			11-01-2016	310,000.00	2.00			
			11-01-2017	310,000.00	2.25			
			11-01-2018	325,000.00	2.50			
			11-01-2019	350,000.00	2.75			
			11-01-2020	350,000.00	3.00			
			11-01-2021/2023	370,000.00	3.00			
						4,003,300.00	185,000.00	3,818,300.00
						\$ 5,636,300.00	\$ 320,000.00	\$ 5,316,300.00

Reference E Below E

Ref.

Reserve for Amortization
Deferred Reserve for Amortization

\$ 127,895.50
192,104.50

Above

\$ 320,000.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
SEWER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

E-27

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>
07-20	Multi-Purpose:			
	b. Acquisition of Various Equipment and Vehicles	\$ 90.00	\$	\$ 90.00
	c. Various Major Information Technology and Telecommunications Equipment	47,615.00		47,615.00
08-15	Multi-Purpose:			
	b. Various Major Information Technology and Telecommunications Equipment	47,500.00		47,500.00
09-26	Various Sewer Utility Improvements	840,000.00		840,000.00
09-28	Improvements to the Township's Waste Water Treatment Plant	8,011,790.00		8,011,790.00
10-15	Various Sewer Utility Improvements	1,828,750.00		1,828,750.00
11-09	Various Sewer Utility Improvements	<u> </u>	<u>1,900,000.00</u>	<u>1,900,000.00</u>
		<u>\$ 10,775,745.00</u>	<u>\$ 1,900,000.00</u>	<u>\$ 12,675,745.00</u>
	<u>Reference</u>	<u>E</u>	<u>E-19</u>	<u>E</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
TREASURER

F-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance December 31, 2010	F	\$ 981,914.11		\$
Increased by Receipts:				
Interest on Deposits and Investments	F-3	\$ 5,763.67		\$
Collector	F-6	4,528,174.88		
Money Market Account Withdrawals	F-7	110,900.00		262,049.47
Capital Improvement Fund	F-20			10,134.00
Interfunds Payable	F-21			39,266.00
Contra Item:				
Change Fund	Contra	<u>1,800.00</u>		
		4,646,638.55		<u>311,449.47</u>
		<u>5,628,552.66</u>		<u>311,449.47</u>
Decreased by Disbursements:				
Prior Year Revenue Refunds	F-1	500.00		
Budget Appropriations	F-4	4,456,302.62		
Money Market Account Deposits	F-7	50.00		49,400.00
Interfunds Receivable	F-9	39,566.00		
Appropriation Reserves	F-13	196,070.10		
Sales Tax Payable	F-14	35,988.37		
Accrued Interest on Bonds	F-15	102,601.40		
Membership Overpayments	F-16	1,987.00		
Improvement Authorizations	F-19			262,049.47
Contra Item	Contra	<u>1,800.00</u>		
		4,834,865.49		<u>311,449.47</u>
Balance December 31, 2011	F	<u>\$ 793,687.17</u>		<u>\$ -</u>
<u>Bank Reconciliation December 31, 2011</u>				
Balance per Statement:				
Valley National Bank, ParsIPPany, New Jersey: #41347218		\$ 794,676.71		
Less: Outstanding Checks		<u>989.54</u>		
		<u>\$ 793,687.17</u>		

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

F-6

	<u>Ref.</u>	
Increased by Receipts:		
Room Rentals	F-3	\$ 15,032.75
Concession:		
Utilities	F-3	18,733.54
Rental	F-3	1,341,554.00
Miscellaneous Revenue Not Anticipated	F-3	30,737.51
Revenue Accounts Receivable	F-10	3,080,689.62
Sales Tax Payable	F-14	36,295.38
Membership Overpayments	F-16	3,132.08
Prepaid Revenue	F-17	2,000.00
		<u>4,528,174.88</u>
Decreased by Disbursements:		
Turnovers to Treasurer	F-5	<u>4,528,174.88</u>
		<u>\$ -</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CASH - MONEY MARKET ACCOUNT

F-7

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance December 31, 2010	F	<u>\$ 491,353.76</u>	<u>\$ 212,591.28</u>
Increased by:			
Accrued Interest	F-3,21	1,992.87	735.14
Deposits	F-5	<u>50.00</u>	<u>49,400.00</u>
		<u>2,042.87</u>	<u>50,135.14</u>
		493,396.63	262,726.42
Decreased by:			
Withdrawals	F-5	<u>110,900.00</u>	<u>262,049.47</u>
Balance December 31, 2011	F	<u><u>\$ 382,496.63</u></u>	<u><u>\$ 676.95</u></u>

Bank Reconciliation December 31, 2011

Balance per Statement:

The Provident Bank,

ParsIPPany, New Jersey:

#9812100445

#9812100452

\$ 382,446.63

\$

676.95

Plus: Deposits-in-Transit

50.00

\$ 382,496.63

\$ 676.95

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-8

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Receipts</u> <u>Other</u>	<u>Disbursements</u> <u>Improvement</u> <u>Authorizations</u>	<u>Transfers</u>		<u>Balance</u> <u>Dec. 31, 2011</u>
				<u>From</u>	<u>To</u>	
<u>Improvement Authorizations</u>						
Ordinance Numbers:						
#99-15	\$ 1,496.11	\$	\$ 1,496.11		\$	\$
#05-10,07-52	4,579.83		4,579.83			526.79
#07-21	10,930.51		10,403.72			95,181.63
#08-16a	123,882.92		28,701.29			(3,500.00)
#09-27	9,736.42		13,236.42			(90,052.10)
#10-16	(900.00)		89,152.10			(104,346.00)
#11-10			114,480.00		10,134.00	
<u>Other Accounts</u>						
Fund Balance	34,522.44					34,522.44
Capital Improvement Fund	28,343.05	10,134.00		10,134.00		28,343.05
Golf and Recreation Operating		40,001.14				40,001.14
Fund Interfund						
	<u>\$ 212,591.28</u>	<u>\$ 50,135.14</u>	<u>\$ 262,049.47</u>	<u>\$ 10,134.00</u>	<u>\$ 10,134.00</u>	<u>\$ 676.95</u>
<u>Reference</u>	<u>F</u>	<u>Below</u>	<u>F-19</u>	<u>Contra</u>	<u>Contra</u>	<u>F</u>
Capital Improvement Fund		\$ 10,134.00				
Interfunds Payable		40,001.14				
		<u>\$ 50,135.14</u>				

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

INTERFUNDS RECEIVABLE

F-9

		Total Golf and Recreation Operating Fund	<u>Golf and Recreation Operating Fund</u>	
	<u>Ref.</u>	<u>Fund</u>	<u>Current Fund</u>	<u>Golf and Recreation Capital Fund</u>
Increased by:				
Interest on Investments	F-3	\$ 735.14	\$	\$ 735.14
Advances	F-5	<u>39,566.00</u>	<u>300.00</u>	<u>39,266.00</u>
Balance December 31, 2011	F	<u>\$ 40,301.14</u>	<u>\$ 300.00</u>	<u>\$ 40,001.14</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

REVENUE ACCOUNTS RECEIVABLE

F-10

	<u>Ref.</u>		
Balance December 31, 2010	F		\$ 55,188.62
Increased by:			
Revenue:			
Membership Fees		\$ 847,399.00	
Other Fees		1,745,634.50	
Cart Rentals		<u>513,298.48</u>	
	Reserve		<u>3,106,331.98</u>
			<u>3,161,520.60</u>
Decreased by:			
Collections	F-6	3,080,689.62	
Membership Overpayments Applied	F-16	3,305.89	
Prepaid Revenue Applied	F-17	<u>4,000.00</u>	
	F-3	3,087,995.51	
Cancelled	Reserve	<u>10,623.31</u>	
			<u>3,098,618.82</u>
Balance December 31, 2011	F		<u>\$ 62,901.78</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

FIXED CAPITAL

F-11

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Building Renovations	\$ 687,336.18	\$	\$ 687,336.18
Improvement of the Property of the Parsippány-Troy Hills Golf and Recreation Utility	452,536.41	1,060,000.00	1,512,536.41
Improvement of the Knoll Country Club	2,154,800.00		2,154,800.00
Various Capital Improvements	2,152,760.66	60,000.00	2,212,760.66
Reconstruction of the Knoll Country Club West	2,465,000.00		2,465,000.00
Construction of the West Tee House	210,000.00		210,000.00
Acquisition of Furniture and Equipment	152,638.16		152,638.16
Acquisition of Vehicles	95,450.00		95,450.00
Acquisition of Equipment	941,867.00		941,867.00
Acquisition of Various Vehicles and Equipment	655,936.70		655,936.70
Supplemental Appropriation for the Construction of the Tee House	26,500.00		26,500.00
Acquisition of Property Known as Knoll Country Club	5,000,000.00		5,000,000.00
Reconstruction of the West Course Main Building	7,150,000.00		7,150,000.00
Installation of Sewer Lines to all Knoll Buildings	401,000.00		401,000.00
Issuance Cost	186,451.50		186,451.50
	<u>\$ 22,732,276.61</u>	<u>\$ 1,120,000.00</u>	<u>\$ 23,852,276.61</u>

Reference

F

F-12

F

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-12

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2011</u>
	<u>Number</u>	<u>Date</u>				
Construction of Golf Paths	99-15	5-11-99	\$ 60,000.00	\$	\$ 60,000.00	\$
Various Improvements to Golf Course and Recreational Utility	05-10	5-10-05				
	07-52	11-27-07	1,060,000.00		1,060,000.00	
Various Improvements to and Equipment for the Golf Course and Recreational Utility	07-21	7-24-07	1,160,000.00			1,160,000.00
	08-16	5-13-08	250,000.00			250,000.00
Multi-Purpose:						
a. Various Improvements and Equipment						
Various Improvements and Purchase of Equipment for Golf Course and Recreation Utility	09-27	6-16-09	151,000.00			151,000.00
	10-16	7-20-10	300,000.00			300,000.00
Golf Course and Recreation Utility Improvements	11-10	6-21-11	202,677.00	202,677.00		202,677.00
			<u>\$ 2,981,000.00</u>	<u>\$ 202,677.00</u>	<u>\$ 1,120,000.00</u>	<u>\$ 2,063,677.00</u>

Reference

E

F-19

F-11

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-13

APPROPRIATION RESERVES

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>		
Operating:				
Salaries and Wages	\$ 116,621.69	\$ 139,565.42	\$ 29,225.21	\$ 110,340.21
Other Expenses	<u>116,621.69</u>	<u>52,734.43</u>	<u>163,247.44</u>	<u>6,108.68</u>
		<u>192,299.85</u>	<u>192,472.65</u>	<u>116,448.89</u>
Statutory Expenditures:				
Social Security System (OASI)		<u>36,352.18</u>	<u>3,597.45</u>	<u>32,754.73</u>
	<u>\$ 116,621.69</u>	<u>\$ 228,652.03</u>	<u>\$ 196,070.10</u>	<u>\$ 149,203.62</u>

F

F

F-5

F-1

Reference

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

SALES TAX PAYABLE

F-14

	<u>Ref.</u>	
Balance December 31, 2010	F	\$ 150.69
Increased by:		
Collections	F-6	<u>36,295.38</u>
		36,446.07
Decreased by:		
Payments	F-5	<u>35,988.37</u>
Balance December 31, 2011	F	<u><u>\$ 457.70</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

ACCRUED INTEREST ON BONDS

F-15

	<u>Ref.</u>	
Balance December 31, 2010	F	\$ 30,551.60
Increased by:		
Budget Appropriation	F-4	99,301.72
		129,853.32
Decreased by:		
Payments	F-5	102,601.40
		102,601.40
Balance December 31, 2011	F	\$ 27,251.92

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2011</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
<u>Serial Bonds</u>					
\$ 400,000.00	3.50%	7-01-11	12-31-11	6 Months	\$ 7,000.00
480,000.00	3.75	7-01-11	12-31-11	6 Months	9,000.00
340,000.00	4.00	7-01-11	12-31-11	6 Months	6,800.00
228,700.00	2.00	11-01-11	12-31-11	2 Months	762.33
55,000.00	2.25	11-01-11	12-31-11	2 Months	206.25
60,000.00	2.50	11-01-11	12-31-11	2 Months	250.00
60,000.00	2.75	11-01-11	12-31-11	2 Months	275.00
315,000.00	3.00	11-01-11	12-31-11	2 Months	1,575.00
<u>Refunding Bonds</u>					
415,000.00	4.00	12-01-11	12-31-11	1 Month	1,383.34
					\$ 27,251.92

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

MEMBERSHIP OVERPAYMENTS

F-16

	<u>Ref.</u>		
Balance December 31, 2010	F		\$ 3,305.89
Increased by:			
Collections	F-6		<u>3,132.08</u>
			6,437.97
Decreased by:			
Refunds	F-5	\$ 1,987.00	
Applied to Revenue Accounts			
Receivable	F-10	<u>3,305.89</u>	
			<u>5,292.89</u>
Balance December 31, 2011	F		<u><u>\$ 1,145.08</u></u>

PREPAID REVENUE

F-17

	<u>Ref.</u>		
Balance December 31, 2010	F		\$ 4,000.00
Increased by:			
Collections	F-6		<u>2,000.00</u>
			6,000.00
Decreased by:			
Applied to Revenue Accounts			
Receivable	F-10		<u>4,000.00</u>
Balance December 31, 2011	F		<u><u>\$ 2,000.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

SECURITY DEPOSIT

F-18

	<u>Ref.</u>	
Balance December 31, 2010	F	<u>\$648,000.00</u>
Balance December 31, 2011	F	<u>\$648,000.00</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

IMPROVEMENT AUTHORIZATIONS

F-19
Sheet #1

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2010		2011 Authorizations	Balance Dec. 31, 2011	
				Funded	Unfunded		Funded	Unfunded
Construction of Golf Paths	*99-15	5-11-99	\$ 60,000.00	\$ 1,496.11	\$	\$	\$	\$
Various Improvements to Golf Course and Recreational Utility	05-10	5-10-05						
	07-52	11-27-07	1,060,000.00	4,579.83		4,579.83		
Various Improvements to and Equipment for Golf Course and Recreational Utility	07-21	7-24-07	1,160,000.00	10,930.51		10,403.72	526.79	
	08-16	5-13-08	250,000.00	123,882.92		28,701.29	95,181.63	50,000.00
Multi-Purpose: a. Various Improvements and Equipment								
Various Improvements and Purchase of Equipment	09-27	6-16-09	151,000.00	9,736.42		13,236.42		44,000.00
Various Improvements to and Equipment for Golf Course and Recreational Utility	10-16	7-20-10	300,000.00			89,152.10		194,947.90
	11-10	6-21-11	202,677.00			114,480.00		88,197.00
Golf Course and Recreation Utility Improvements					202,677.00			
			Reference	\$ 150,625.79	\$ 381,600.00	\$ 202,677.00	\$ 95,708.42	\$ 377,144.90
				E	E	E-5	E	E

*Funded in Full from the Capital Improvement Fund.

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

IMPROVEMENT AUTHORIZATIONS

F-19
Sheet #2

	<u>Ref.</u>	2011 <u>Authorizations</u>
Capital Improvement Fund	F-20	\$ 10,134.00
Bonds and Notes Authorized but Not Issued	F-26	<u>192,543.00</u>
	Sheet #1	<u><u>\$ 202,677.00</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

CAPITAL IMPROVEMENT FUND

F-20

	<u>Ref.</u>	
Balance December 31, 2010	F	\$ 28,343.05
Increased by:		
Budget Appropriations	F-5	<u>10,134.00</u>
		38,477.05
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#11-10	F-19,23	<u>10,134.00</u>
Balance December 31, 2011	F	<u>\$ 28,343.05</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

INTERFUNDS PAYABLE

F-21

	<u>Ref.</u>	<u>Golf and Recreation Capital Fund</u> <u>Golf and Recreation Operating Fund</u>
Increased by:		
Advances	F-5	\$ 39,266.00
Interest on Investments	F-7	<u>735.14</u>
Balance December 31, 2011	F	<u><u>\$ 40,001.14</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

RESERVE FOR AMORTIZATION

F-22

	<u>Ref.</u>		
Balance December 31, 2010	F		\$ 21,669,526.61
Increased by:			
Transferred from Deferred Reserve for Amortization	F-23	\$ 375,000.00	
Refunding Bonds Paid by Operating Budget	F-24	500,000.00	
Serial Bonds Paid by Operating Budget	F-25	<u>140,000.00</u>	
			<u>1,015,000.00</u>
Balance December 31, 2011	F		<u>\$ 22,684,526.61</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-23

DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date</u>	<u>Balance Dec. 31, 2010</u>	<u>Increase</u>	<u>To Reserve for Amortization</u>	<u>Balance Dec. 31, 2011</u>
Construction of Golf Paths	99-15	5-11-99	\$ 60,000.00	\$	\$ 60,000.00	\$
Improvements to Golf Course and Recreational Utility	05-10 07-52	5-10-05 11-27-07	315,000.00		315,000.00	
Various Improvements to and Equipment for Golf Course and Recreational Utility	07-21	7-24-07	257,500.00			257,500.00
Multi-Purpose: a. Various Improvements and Equipment	08-16	5-13-08	12,500.00			12,500.00
Various Improvements and Purchase of Equipment	09-27	6-16-09	7,550.00			7,550.00
Various Improvements to and Equipment for Golf Course and Recreational Utility	10-16	7-20-10	15,000.00			15,000.00
Golf Course and Recreation Utility Improvements	11-10	6-21-11		10,134.00		10,134.00
			<u>\$ 667,550.00</u>	<u>\$ 10,134.00</u>	<u>\$ 375,000.00</u>	<u>\$ 302,684.00</u>
<u>Reference</u>			<u>F</u>	<u>F-20</u>	<u>F-22</u>	<u>F</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

REFUNDING BONDS

F-24

<u>Purpose</u>	<u>Date</u> <u>Original Issue</u> <u>Amount</u>	<u>Date</u> <u>Maturities of</u> <u>Bonds Outstanding</u> <u>Dec. 31, 2011</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
General Improvement	2-01-03 \$ 3,805,000.00	12-01-2012 \$ 415,000.00	4.00%	\$ 825,000.00	\$ 410,000.00	\$ 415,000.00
General Improvement	5-15-09 259,000.00			90,000.00	90,000.00	
				<u>\$ 915,000.00</u>	<u>\$ 500,000.00</u>	<u>\$ 415,000.00</u>
			<u>Reference</u>	<u>F</u>	<u>F-22</u>	<u>F</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

F-25

SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2011</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2010</u>	<u>Decrease Budget Appropriation</u>	<u>Balance Dec. 31, 2011</u>
			<u>Date</u>	<u>Amount</u>				
General Improvement	7-01-08	\$ 1,500,000.00	7-01-2012	\$ 100,000.00	3.50%			
			7-01-2013/2014	150,000.00	3.50			
			7-01-2015	150,000.00	3.75			
			7-01-2016	160,000.00	3.75			
			7-01-2017	170,000.00	3.75	\$ 1,320,000.00	\$ 100,000.00	\$ 1,220,000.00
			7-01-2018/2019	170,000.00	4.00			
General Improvement	10-26-10	758,700.00	11-01-2012/2013	40,000.00	2.00			
			11-01-2014	40,700.00	2.00			
			11-01-2015	53,000.00	2.00			
			11-01-2016	55,000.00	2.00			
			11-01-2017	55,000.00	2.25			
			11-01-2018	60,000.00	2.50			
			11-01-2019	60,000.00	2.75			
			11-01-2020	75,000.00	3.00			
			11-01-2021/2023	80,000.00	3.00	758,700.00	40,000.00	718,700.00
						\$ 2,078,700.00	\$ 140,000.00	\$ 1,938,700.00

Reference E

F-22

E

TOWNSHIP OF PARSIPPANY-TROY HILLS
GOLF AND RECREATION UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

F-26

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorization</u>	<u>Balance Dec. 31, 2011</u>
08-16	Multi-Purpose: a. Various Improvements and Equipment	\$ 50,000.00	\$	\$ 50,000.00
09-27	Various Improvements and Purchase of Equipment	47,500.00		47,500.00
10-16	Various Improvements to and Equipment for Golf Course and Recreational Utility	285,000.00		285,000.00
11-10	Golf Course and Recreation Utility Improvements	<u> </u>	<u>192,543.00</u>	<u>192,543.00</u>
		<u>\$ 382,500.00</u>	<u>\$ 192,543.00</u>	<u>\$ 575,043.00</u>
	<u>Reference</u>	<u>E</u>	<u>F-19</u>	<u>E</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION

G-1

	<u>Ref.</u>		
Balance December 31, 2010	G		\$ 13,868.00
Increased by:			
Interfunds Payable	G-3	\$ 35.90	
Reserve for Public Assistance Trust			
Fund Expenditures	G-4	<u>15,001.59</u>	
			<u>15,037.49</u>
			28,905.49
Decreased by:			
Interfunds Receivable	G-2	2.70	
Interfunds Payable	G-3	38.60	
Reserve for Public Assistance Trust			
Fund Expenditures	G-4	<u>20,300.88</u>	
			<u>20,342.18</u>
Balance December 31, 2011	G		<u>\$ 8,563.31</u>
 <u>Bank Reconciliation December 31, 2011</u>			
Balance per Statement:			
Valley National Bank,			
Parsippany, New Jersey:			
Account #41347161			\$ 8,564.51
Less: Outstanding Checks			<u>1.20</u>
			<u>\$ 8,563.31</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

INTERFUNDS RECEIVABLE

G-2

	<u>Ref.</u>	<u>Current Fund</u>
Increased by:		
Advances	G-1	<u>\$ 2.70</u>
Balance December 31, 2011	G	<u>\$ 2.70</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

INTERFUNDS PAYABLE

G-3

	<u>Ref.</u>	<u>Current Fund</u>
Balance December 31, 2010	G	\$ 2.70
Increased by:		
Interest on Deposits	G-1	<u>35.90</u>
		38.60
Decreased by:		
Settlements	G-1	<u>38.60</u>
		<u><u>\$ -</u></u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
PUBLIC ASSISTANCE TRUST FUND

RESERVE FOR PUBLIC ASSISTANCE TRUST FUND EXPENDITURES

G-4

	<u>Ref.</u>	
Balance December 31, 2010	G	\$ 13,865.30
Increased by:		
Donations	G-1	<u>15,001.59</u>
		<u>28,866.89</u>
Decreased by:		
Public Assistance Expenditures	G-1	<u>20,300.88</u>
Balance December 31, 2011	G	<u><u>\$ 8,566.01</u></u>

PART II
REPORT ON INTERNAL CONTROL
SINGLE AUDIT ATTACHMENTS
ROSTER OF OFFICIALS
LETTER OF TRANSMITTAL, COMMENTS AND RECOMMENDATIONS
(MANAGEMENT LETTER)
YEAR ENDED DECEMBER 31, 2011

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF STATUTORY BASIS FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members of the Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

We have audited the statutory basis financial statements of the various funds of the Township of Parsippany-Troy Hills, County of Morris, as of and for the years ended December 31, 2011 and December 31, 2010, and have issued our report thereon dated May 18, 2012, which was qualified as a result of the Municipality's policy to prepare its financial statements on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Municipality's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters, however, that we have reported and described in Part II of the accompanying "Report on Examination of Accounts".

This report is intended solely for the information and use of the Municipality's governing body and management, appropriate State and Federal awarding agencies, and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Samuel Klein and Company". The signature is written in black ink and is positioned above the printed name of the firm.

SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
May 18, 2012

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH FEDERAL OMB CIRCULAR A-133 AND STATE CIRCULAR LETTER 04-04 OMB

Honorable Mayor and Members of the Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

Compliance

We have audited the compliance of the Township of Parsippany-Troy Hills, County of Morris, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*; and the New Jersey State Office of Management and Budget's *State Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011. The municipality's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedules of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the management of the municipality. Our responsibility is to express an opinion on the municipality's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, *Audits of State, Local Governments, and Nonprofit Organizations*; and the provisions of state Treasury Circular Letter 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments* and the *New Jersey State Office of Management and Budget's State Grant Compliance Supplement*. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the municipality's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the municipality's compliance with those requirements.

In our opinion the Township of Parsippany-Troy Hills, County of Morris, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011.

Internal Control Over Compliance

The management of the Township of Parsippany-Troy Hills is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the municipality's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 04-04 OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we noted certain immaterial instances of noncompliance and other matters involving the internal control over financial reporting that we have reported and described in Part II of the accompanying "Report on Examination of Accounts".

Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the financial statements of the Township of Parsippany-Troy Hills as of and for the year ended December 31, 2011, and have issued our report thereon dated May 18, 2012. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the municipality's basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and State of New Jersey Circular 04-04 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Municipality's governing body and management, State and Federal awarding agencies and the Division of Local Government Services, Department of Community Affairs, State of New Jersey and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE A
Sheet #1

Federal Funding Department and Description	Pass-Through Entity ID Number	CFDA Number	Program Amount	2011 Funds Received	Disbursed	
					Fiscal Year	Total
Housing and Urban Development Community Development Block Grant:						
7-01-09 to 6-30-10 - Housing Rehabilitation	B09-MC34-0113	14.218	\$ 121,302.00	\$ 49,387.16	\$ 49,387.16	\$ 121,302.00
7-01-10 to 6-30-11 - Housing Rehabilitation	B10-MC34-0113	14.218	110,960.00	85,363.98	85,363.98	85,363.98
7-01-11 to 6-30-12 - Housing Rehabilitation	B11-MC34-0113	14.218	97,563.00			
7-01-10 to 6-30-11 - Program Administration	B10-MC34-0113	14.218	40,000.00	9,270.89	9,270.89	40,000.00
7-01-11 to 6-30-12 - Program Administration	B11-MC34-0113	14.218	47,000.00	33,507.11	33,507.11	33,507.11
7-01-05 to 6-30-06 - Removal of Handicapped Accessible Barriers for Municipally-Owned Facilities:						
Phase VI						
7-01-04 to 6-30-05 - Littleton School House Historic Preservation:	B05-MC34-0113	14.218	10,000.00	1,217.56	1,217.56	10,000.00
Phase V						
7-01-09 to 6-30-10 - Sidewalk Improvements	B04-MC34-0113	14.218	30,000.00	4,749.50	4,749.50	30,000.00
7-01-10 to 6-30-11 - Curbing, Drainage and Paving Improvements on Ronald Road, Ridgewood Avenue and Oak Lane	B09-MC34-0113	14.218	50,263.00	21.41	21.41	50,263.00
7-01-11 to 6-30-12 - Curbing, Drainage and Paving Improvements on Manito Avenue, Pawnee Avenue and Porfion of Carlson Place	B10-MC34-0113	14.218	105,000.00	105,000.00	105,000.00	105,000.00
7-01-10 to 6-30-11 - ADA Accessible Improvements to Various Township Facilities	B11-MC34-0113	14.218	60,000.00			
7-01-10 to 6-30-11 - Littleton Schoolhouse on Route 202 Restoration and Rehabilitation	B10-MC34-0113	14.218	25,000.00	4,562.44	4,562.44	4,562.44
7-01-11 to 6-30-12 - Baldwin Museum Restoration/ Rehabilitation	B10-MC34-0113	14.218	25,000.00	250.50	250.50	12,050.50
7-01-11 to 6-30-12 - Vehicle Purchases for Seniors and Handicapped	B11-MC34-0113	14.218	30,000.00			
7-01-11 to 6-30-12 - Park Improvements	B11-MC34-0113	14.218	10,000.00			
U.S. Department of Justice Justice Assistance Grant:						
2009		16.738	201,116.00	198,402.03	325.00	198,402.03

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE A
Sheet #2

Federal Funding Department and Description	Pass-Through Entity ID Number	CFDA Number	Program Amount	2011 Funds Received	Disbursed	
					Fiscal Year	Total
Federal Emergency Management Agency Federal Emergency Management Grant: 2011		83.554	\$ 206,103.37	\$ 206,103.37	\$ 206,103.37	\$ 206,103.37
U.S. Department of Energy ARRA - Energy Efficiency and Conservation Block Grant: 2010		81.128	523,800.00	119,000.00	187,421.14	392,209.14
U.S. Department of Environmental Protection Capitalization Grants for State Revolving Funds: Passed-Through State of New Jersey: 2010 ARRA Funding for Improvements to Waste Water Treatment Plant: Fund Loan	042-4900-711-002-6510	66.458	2,500,000.00	2,129,181.00	1,488,445.52	2,500,000.00
			<u>\$ 4,203,107.37</u>	<u>\$ 2,946,016.95</u>	<u>\$ 2,175,625.58</u>	<u>\$ 3,788,763.57</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

SCHEDULE B
Sheet #1

<u>State Funding</u> <u>Department and Description</u>	<u>State</u> <u>Account Number</u>	<u>Program</u> <u>Amount</u>	<u>Funds</u> <u>Received</u>	<u>Disbursements</u>	
				<u>Fiscal</u> <u>Year</u>	<u>Total</u>
<u>Department of Health</u>					
Municipal Alcohol Education, Rehabilitation Program:					
1-01-09 to 12-31-09		\$ 1,724.29	\$ 862.96	\$ 714.29	\$ 1,724.29
1-01-11 to 12-31-11		862.96			
Tobacco Age-of-Sale Enforcement Grant:					
1-01-05 to 12-31-05		4,380.00		2,621.00	2,971.30
1-01-07 to 12-31-07		3,720.00		1,522.48	2,621.00
1-01-08 to 12-31-08		2,280.00		1,495.68	1,522.48
1-01-09 to 12-31-09		2,280.00			1,495.68
Passed-Through County of Morris:					
Municipal Alliance:					
1-01-10 to 12-31-10		18,466.26	18,466.26	9,922.30	18,466.26
1-01-11 to 12-31-11		28,901.00	7,945.12	8,377.49	8,377.49
	042-4900-765-004-6020				
<u>Environmental Protection</u>					
Clean Communities Act:					
1-01-10 to 12-31-10		86,296.52		24,090.05	86,296.52
1-01-11 to 12-31-11		84,283.23	84,283.23	76,116.26	76,116.26
Recycling Tonnage Grant:					
1-01-05 to 12-31-05		28,449.29			27,341.29
1-01-06 to 12-31-06		22,796.80			22,508.80
1-01-09 to 12-31-09		51,625.98		12,759.12	51,625.98
1-01-10 to 12-31-10		62,600.38		49,018.94	49,018.94
1-01-11 to 12-31-11		75,891.00	75,891.00		

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE B
Sheet #2

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>State Funding</u> <u>Department and Description</u>	<u>State Account</u> <u>Number</u>	<u>Program</u> <u>Amount</u>	<u>Funds</u> <u>Received</u>	<u>Disbursements</u>	
				<u>Fiscal</u> <u>Year</u>	<u>Total</u>
<u>Environmental Protection</u>					
N.J. Environmental Infrastructure Trust Loan:					
Sewer Utility Improvements (Ordinance #08-15a)	Unknown	\$ 174,900.00	\$	159,142.00	\$ 174,900.00
Improvements to Waste Water Treatment Plant (Ordinance #09-28)	042-4860-711-001-6020	17,688,210.00	10,092,109.00	11,133,804.88	11,133,804.88
<u>Economic Development Authority</u>					
Hazardous Discharge Site Remediation Grant - 1996					
		43,345.00			39,405.00
<u>Transportation</u>					
New Jersey Transportation Trust Fund:					
Park Road Improvement Project (Ordinance #10-13d)	078-6320-480-AKN-6010	250,000.00	187,500.00	250,000.00	250,000.00
Union Hill Road Reconstruction Project Park Road Resurfacing Phase II (Ordinance #11-07d)	078-6320-480-AKC-6010	246,865.54	246,865.54	246,865.54	246,865.54
Safe Routes to School: 1-01-11 to 12-31-11		26,900.00	851.86	851.86	851.86
Highway Safety Fund Grant - "Safe Corridors": 1-01-11 to 12-31-11		1,349.28			
<u>Division of Motor Vehicles</u>					
Drunk Driving Enforcement Program:					
1-01-08 to 12-31-08		10,243.62		3,642.79	10,243.62
1-01-10 to 12-31-10		12,407.66		3,557.21	7,457.21
1-01-11 to 12-31-11		9,103.08	9,103.08	4,800.00	4,800.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE B
Sheet #3

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>State Funding</u> <u>Department and Description</u>	<u>State Account</u> <u>Number</u>	<u>Program</u> <u>Amount</u>	<u>Funds</u> <u>Received</u>	<u>Disbursements</u>	
				<u>Fiscal</u> <u>Year</u>	<u>Total</u>
<u>Division of Highway Traffic Safety</u>					
<u>Click It or Ticket Grant:</u>					
1-01-11 to 12-31-11	066-1160-100-113-6020	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00
<u>Pedestrian Safety Education and Enforcement Grant:</u>					
1-01-10 to 12-31-10	066-1160-100-146-6010	30,900.00	8,400.00	8,400.00	30,900.00
1-01-11 to 12-31-11		8,000.00			
<u>Over the Limit, Under Arrest:</u>					
1-01-10 to 12-31-10		4,500.00	4,500.00	3,000.00	4,500.00
1-01-11 to 12-31-11		3,200.00	3,200.00	3,200.00	3,200.00
<u>Hang Up Just Drive:</u>					
1-01-10 to 12-31-10		4,000.00		800.00	800.00
<u>Drive Sober or Get Pulled Over</u>					
1-01-11 to 12-31-11		5,000.00			
<u>Department of Law and Public Safety</u>					
<u>Body Armor Fund:</u>					
1-01-09 to 12-31-09	066-1020-718-001-6120	10,351.23		2,597.66	10,351.23
1-01-10 to 12-31-10		3,063.88		3,063.88	3,063.88
1-01-11 to 12-31-11		8,542.39	8,542.39	3,462.66	3,462.66
<u>Emergency Management Assistance Grant:</u>					
1-01-10 to 12-31-10		5,000.00		4,132.00	4,132.00
<u>N.J. Offices of Information Technology</u>					
<u>Enhanced 911 General Assistance Grant:</u>					
1-01-06 to 12-31-06		47,079.00			44,800.00

TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS

SCHEDULE B
Sheet #4

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

State Funding Department and Description	State Account Number	Program Amount	Funds Received	Disbursements	
				Fiscal Year	Total
<u>New Jersey Highlands Council</u>					
N.J. Highlands Water Protection and Planning Council:					
Initial Assessment Grant:					
1-01-09 to 12-31-09		\$ 15,000.00	\$	15,000.00	\$ 15,000.00
1-01-10 to 12-31-10		5,224.46		5,224.46	5,224.46
Plan Conformance Grant:					
1-01-11 to 12-31-11		100,000.00	65,924.33	64,723.43	64,723.43
<u>Department of Human Services</u>					
Passed-Through County of Morris:					
Juvenile Accountability Incentive Block Grant:					
1-01-09 to 12-31-09		2,500.00		0.76	2,500.00
1-01-10 to 12-31-10		3,120.00			426.02
		<u>\$19,447,162.85</u>	<u>\$10,818,244.77</u>	<u>\$12,106,706.74</u>	<u>\$12,415,298.08</u>

TOWNSHIP OF PARSIPPANY-TROY HILLS

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

DECEMBER 31, 2011

1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state financial assistance programs of the Township of Parsippany-Troy Hills. The Township of Parsippany-Troy Hills is defined in Note 1(A) to the Township's general purpose financial statements. All federal and state financial assistance received directly from federal and state agencies as well as federal and state financial assistance, passed-through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting is described in Note 1(C) and 1(D) to the Township's statutory basis financial statements.

3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORT

Amounts reported in the accompanying schedules agree with amounts reported in the related federal and state financial reports.

4. RELATIONSHIP TO STATUTORY BASIS FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's statutory basis financial statements. Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

**TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2011**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes √ No

Significant deficiency(ies) identified? _____ Yes √ None Reported

Noncompliance material to financial statements noted? _____ Yes √ No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes √ No

Significant deficiency(ies) identified? _____ Yes √ None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133? _____ Yes √ No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
66.458	Capitalization Grants for State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 300,000.00

Auditee qualified as low-risk auditee? √ Yes _____ No

**TOWNSHIP OF PARSIPPANY-TROY HILLS
COUNTY OF MORRIS, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2011**

Federal Awards

There were no prior year audit findings for Federal Award Programs.

State Awards

There were no prior year audit findings for State Financial Assistance.

**ROSTER OF OFFICIALS AND CERTAIN EMPLOYEES
FOR THE YEAR 2011 AND REPORT ON SURETY BONDS**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
James R. Barberio	Mayor	\$
Michael J. dePierro	Council President	
Brian S. Stanton	Council Vice President	
Paul Carifi, Jr.	Councilperson from September 1, 2011	
John Cesaro	Councilperson	
Vincent Ferrara	Councilperson	
John M. Fox	Councilperson to September 1, 2011	
Judith I. Silver	Township Clerk to May 31, 2011	
Elesha Johnson	Clerk from August 1, 2011 to November 22, 2011	
John P. Inglesino	Township Attorney	
Jasmine Lim	Business Administrator Acting Clerk from December 21, 2011	
Michael Hardie	Director of Purchasing	
Ruby Malcolm	Chief Financial Officer Treasurer	1,000,000.00
Terence Whalen	Tax Collector	1,000,000.00
Helen B. Scarnato	Deputy Tax Collector	
Daniel Cassese	Tax Assessor	
Anthony J. Frese	Judge	
Gerald P. Scala	Judge from May 1, 2011	
Leslie E. Silver	Judge to April 30, 2011	
Alvaro Leal	Court Administrator	
Justin Lizza	Engineer	

All of the above surety bonds were issued by Municipal Excess Liability Joint Insurance Fund.

A Public Employee Dishonesty Bond issued by Municipal Excess Liability Joint Insurance Fund in the amount of \$1,000,000.00 is part of a multi-peril policy and covers all employees.

SAMUEL KLEIN AND COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-4543
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

Honorable Mayor and Members of the Township Council
Township of Parsippany-Troy Hills
Parsippany, New Jersey 07054

Madam and Gentlemen:

We have audited the financial statements, Federal and State Financial Assistance Programs and supplemental schedules and data of the

TOWNSHIP OF PARSIPPANY-TROY HILLS COUNTY OF MORRIS

for the years ended December 31, 2011 and December 31, 2010 and have issued our report thereon. As part of our audit, we reviewed and tested the municipality's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America; by the Division of Local Government Services of the Department of Community Affairs, State of New Jersey; by the *Government Auditing Standards* issued by the U.S. General Accounting Office; and by the provisions of the "Single Audit Act of 1984". Compliance requirements were also reviewed in accordance with the requirements of the aforementioned standards and guidelines or, where applicable, the terms and conditions of particular grant agreements and as approved by the Cognizant Audit Agency.

Our comments with respect to the audit, internal control, and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the audit are herewith set forth.

Contracts and Agreements Required to be Advertised per (N.J.S. 40A:11-4)

N.J.S. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to (N.J.S. 40A:11-3c), except by contract or agreement."

It is pointed out that the Township Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The statutory bidding threshold for the year 2011 was the sum of \$36,000.00, effective July 1, 2010 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay to Play Law" provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

The minutes indicate that bids were requested by public advertising for the following items:

Service and Construction Contracts:

- Rental of Golf Carts
- Transportation and Disposal of Sewage Sludge Cake
- Roadway Improvements to Ronald Road, Oak Lane and Ridgewood Avenue
- Reconstruction of Various Streets in Lake Parsippany, Centerton Drive and Stirling Road
- Replacement Bleachers for Various Parks
- Simpson Avenue Reconstruction for Mount Tabor - Phase II
- Reconstruction of Curbs and Sidewalks at Various Locations
- Reconstruction of Retaining Wall, East Hedding Place, Mount Tabor
- Third Party Billing for Ambulance Services for EMS
- Pumping Station No. 4 Bypass Pumping Project
- Installation of a 30 KW Roof Mounted Solar Panel Array for the Community Center/Tennis Facility
- Reconstruction of Delanco Drive and Clubhouse Court
- Park Road Resurfacing Project Phase I

Material and Supplies:

- Various Materials for the Municipal Utilities and Public Works Department

Vehicles and Equipment:

- New Material Transport System
- Wide Area Rotary Mower, Fairway Mower and Two Greens Mowers

The minutes indicate that proposals were solicited for professional services in accordance with N.J.S.A. 19:44A-20.5.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S. 54:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on June 11, 1991 adopted the following resolution authorizing interest to be charged on delinquent taxes and other municipal liens:

"BE IT RESOLVED by the Township Council of the Township of Parsippany-Troy Hills, the Tax Collector is hereby authorized and directed to charge 8 percent per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged against the delinquency. Effective January 1, 1991, there will be a ten day grace period of quarterly tax payments."

Our review of the records of the Tax Collector indicated that computerized interest for taxes was generally collected in accordance with the provisions of the foregoing resolution.

Collection of Interest on Delinquent Water and Sewer Contracts

The Governing Body adopted Ordinance #90-23 on April 24, 1990 which authorized interest to be charged on delinquent water bills, which reads as follows:

BE IT ORDAINED by the Township Council of the Township of Parsippany-Troy Hills, Morris County that Chapter XII, entitled "WATER" of the Code is hereby amended and supplemented as follows:

Section 1. Section 12.2-3 entitled "Method of Payment" is hereby amended and supplemented to provide as follows:

"12-2.3 Method of Payment. Payments for use and consumption of water and for all other fees and charges incurred shall be paid to the Water Utility of the Township. All bills for continuous service shall be rendered quarterly. Any bill not paid within thirty (30) days will be considered delinquent and service may be discontinued after ten (10) days final notice. Interest at a rate of eight (8%) percent per annum on the first fifteen hundred (\$1,500.00) dollars and eighteen (18%) percent per annum on amounts in excess of fifteen hundred (\$1,500.00) dollars will be charged on delinquent accounts".

The Governing Body adopted Ordinance #84-66 on October 9, 1984 which authorized interest to be charged on delinquent sewer bills. The ordinance states:

BE IT ORDAINED, by the Township Council of the Township of Parsippany-Troy Hills, in the County of Morris, and State of New Jersey, as follows:

Section 2. Chapter XIII, Sewage, of "The Revised General Ordinances of the Township of Parsippany-Troy Hills, 1972" is hereby amended by the addition of a new subsection 13-16.4, Interest on Late Payments, to read as follows:

"13-16.4 Interest on Late Payments. Unpaid sewer rental fees shall be subject to the same interest rate for late payments as unpaid municipal taxes. Any sewer rental fees which are unpaid after 30 days from the date of the sewer rental bill shall be subject to interest for late payment."

Our review of the records of the Tax Collector indicated that interest on delinquent water and sewer bills were generally collected in accordance with the provisions of the foregoing ordinances.

Delinquent Taxes

Delinquent taxes in the sum of \$750.00, exclusive of 2011, are summarized as follows:

<u>Year</u>	<u>Amount</u>
2010	<u>\$ 750.00</u>

A tax sale was held on June 16, 2011 and was complete.

Tax Title and Utility Liens

The following comparison is made of the number of tax title, water and sewer liens receivable on December 31st of the last three years:

<u>Year</u>	<u>Title Liens</u>	<u>Water Liens</u>	<u>Sewer Liens</u>
2011	4	1	1
2010	4	1	1
2009	4	1	1

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

	<u>Number of Confirmations Written</u>
Payment of 2011 and 2012 Taxes	200
Delinquent Taxes	25
Tax Title Liens	2
Payment of Water and Sewer Utility Charges	200
Unpaid Water Utility Charges	25
Unpaid Sewer Utility Charges	<u>25</u>
	<u>477</u>

There were no exceptions developed in connection with our examination.

Revenue Collecting Officials

Construction Code Official:

Receipting and record maintenance procedures implemented in the Office of the Construction Code Official appear to be in accordance with the provisions of the Uniform Construction Code of New Jersey and the precepts and directives of the New Jersey Division of Housing and Development in the Department of Community Affairs. The system mandates the use of standardized forms prepared and distributed by the State to all Chief Construction Code Officials. Private contractors may also maintain supplies of application forms. The forms are not prenumbered and their prescribed use eliminates such time-proven and inherent assurances of accountability, control of inspections and fiscal activity thus afforded. Reliance of the accuracy and integrity of all departmental activity is therefore necessarily placed upon internal numbering systems and recording practices.

Outside Employment of Off-Duty Police Officers

The Governing Body, on March 16, 2010, adopted Ordinance #2010:03 amending rules and regulations for employment of off-duty police officers from which the following is quoted:

“(F) All work will be paid for in advance and deposited in an escrow account to be held with the Finance Department of the Township of Parsippany-Troy Hills, with the exception of work performed for the Parsippany Board of Education, the Township and the New Jersey Department of Transportation and work related to emergencies.”

During our review it was noted that several entities received service prior to depositing money with the Township of Parsippany-Troy Hills.

It is recommended that fees for the employment of off-duty police officers be collected by the Township before services are rendered to ensure compliance with the provisions of Ordinance #2010:03.

Municipal Court

A segment of the Report of the Municipal Court for 2011, which is filed under separate cover with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk, is presented herewith for information purposes. The statement of receipts and disbursements is summarized as follows:

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Municipal Treasurer	\$ 57,323.08	\$ 600,029.28	\$ 622,474.48	\$ 34,877.88
County Treasurer	21,442.76	211,658.59	221,762.85	11,338.50
State Treasurer	56,076.41	642,579.83	667,559.62	31,096.62
Bail	17,431.00	276,441.00	267,277.00	26,595.00
Other Items	6,939.50	158,384.45	155,430.95	9,893.00
	<u>\$159,212.75</u>	<u>\$1,889,093.15</u>	<u>\$1,934,504.90</u>	<u>\$113,801.00</u>

Our review of the records of the Municipal Court resulted in the following finding:

The report “Tickets Assigned but Not Issued” listed 80 unissued tickets in excess of six months.

The following recommendation with respect to the Municipal Court is noted as follows:

That Tickets Assigned but Not Issued in excess of six months be reviewed for proper disposition.

Corrective Action Plan

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received.

A Corrective Action Plan was prepared by the Chief Financial Officer and approved by resolution of the Governing Body and submitted to the Division within the time period provided in the regulations.

Status of Prior Years' Audit Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all with the exception of the following, which are included in this year's recommendations:

General

That fees for the employment of off-duty police officers be collected by the Township before services are rendered to ensure compliance with the provisions of Ordinance #2010:03.

Municipal Court

That tickets assigned but not issued in excess of six months be reviewed for proper disposition.

Miscellaneous

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, test computations were made on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Individual payments of the Local School District Tax by the Township for the year 2011 were confirmed as received by the Secretary of the Board of Education.

The propriety of deductions for pensions, withholding taxes, social security and other purposes from individual employee salaries was not verified as part of this examination.

A separate trust fund, established for State Unemployment Compensation Insurance, is detailed in Section "B" herein.

All sums of outstanding checks, reflected in cash reconciliations herein, are in agreement with the records of the Treasurer.

A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

A copy of this report was filed with the New Jersey Division of Local Government Services.

RECOMMENDATIONS

**Page
Reference**

General

That fees for the employment of off-duty police officers be collected by the Township before services are rendered to ensure compliance with the provisions of Ordinance #2010:03.

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Municipal Court

That Tickets Assigned but Not Issued in excess of six months be reviewed for proper disposition.

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* * *

The foregoing comments and resultant recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

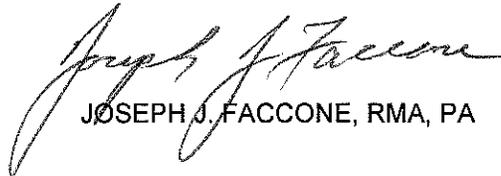
We shall be pleased to confer on questions that might arise with respect to any matters in this report.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
May 18, 2012

